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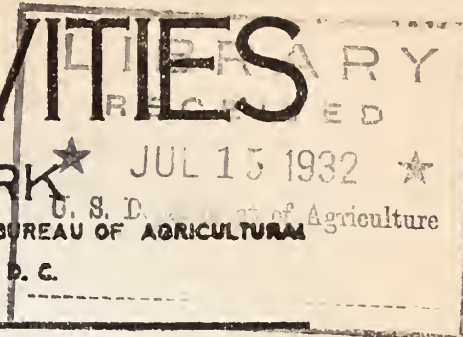
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## MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.



July 6, 1932

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NEW ENGLAND MARKETING OFFICIALS  
HOLD ANNUAL MEETING AT HARTFORD,  
CONNECTICUT.

Delegates Discuss Roadside Markets,  
Produce Inspection, Turkey Marketing,  
and Egg Marketing.

The growth of roadside marketing in New England and plans for State licensing or registering of roadside stands were among several topics discussed at the annual meeting of the New England Association of Marketing Officials, at Hartford, Connecticut, June 14. Other topics included turkey production and marketing, shipping point inspection supervision, and egg marketing programs.

Active interest in Vermont and New Hampshire in licensing or registering roadside stands under supervision of the State department of agriculture was reported. The plan has been in operation in Massachusetts the past year, and has been put into effect this year in Maine, Rhode Island, and Connecticut. The importance of cooperating with state police, motor vehicle and highway departments in the matter of regulation and supervision of stands was stressed.

In a discussion of grades and their identification for the benefit of consumers it was stated that consumers in most cases place first importance on freshness, and that more adequate means of determining the freshness of certain vegetables are needed.

An undetermined increase in turkey production in Vermont this year was reported, but in Rhode Island poor hatches have reduced the increase anticipated last fall. Connecticut growers reported intentions last fall for a 45 per cent increase in turkey production this year. S. A. Edwards of the Connecticut Department of Agriculture announced plans for the inspection of Connecticut turkeys this year at designated inspection depots. A charge of ten cents per turkey will be made for inspections on farms. He announced also that a second grade, or identification, of turkeys not meeting the requirement of the "Native Fancy" grade is to be established.

In a discussion of produce inspection in New England a plan was proposed by W. C. Hackleman of the U. S. Bureau of Agricultural Economics whereby Federal inspectors now located at Boston, Springfield, New Haven, and Providence would be used as supervisors of shipping point



inspection throughout the New England territory. It was decided that Mr. Hackleman should take up with Washington headquarters the question of what the States should be charged for this service, either on a flat car charge basis, or according to actual time and expenses, or on the basis of a monthly allotment similar to the plan in operation last year. All delegates declared that in view of reduced budgets some method of reducing costs of inspection supervision should be arranged.

A card thermometer that tells what happens to egg quality at different temperatures is being used in Connecticut in connection with a program designed to educate retailers and consumers in the proper handling of eggs.

Inspection of labelled strawberries in Massachusetts is to be on a fee basis this year, at one cent per crate.

M. H. Brightman of Rhode Island Department of Agriculture was elected president of the New England Association of Marketing Officials for the ensuing year; H. A. Dwinell of Vermont Department of Agriculture was elected Secretary. The next meeting of the association will be held at Durham, New Hampshire, during the sessions of the American Institute of Cooperation.

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#### "ILLEGAL" BERRY BOXES DESTROYED IN ILLINOIS

Approximately 100,000 illegal "wine" or liquid-measure pint berry boxes were recently condemned and voluntarily burned by the manufacturers in the vicinity of Villa Ridge, Illinois, following investigations by the United States Bureau of Agricultural Economics of violations of container laws. Illinois State officials cooperated in suppressing the manufacture and use of the snide containers which were approximately 10 per cent smaller than the standard dry-measure boxes. Cooperation of these officials had to be secured because the U. S. Standard Container Act of 1916 prohibits the manufacture, sale and shipment of illegal berry boxes in interstate commerce. This act applies only to such containers as berry boxes, till baskets and Climax baskets which are sold or offered for sale in interstate commerce. Containers such as hampers, round stave baskets and splint baskets for fruits and vegetables are regulated by the Act of 1928, which, having been passed under the coinage, weights and measures authority of Congress, applies to intrastate as well as interstate commerce.

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#### MOTOR TRUCK RECEIPTS HEAVY IN PHILADELPHIA

Motor truck receipts of fruits and vegetables are running heavier than ever this season in Philadelphia, according to J. G. Scott, field representative of the Bureau of Agricultural Economics. The point has been reached, he says, where the carlot market on most all commodities is practically ruled by truck receipts, a condition that has occurred daily this season on strawberries, cabbage, peas, string beans, and a number of other commodities.



WASHINGTON FARMERS LOWER  
UNIT PRODUCTION COSTS.

High production per acre, per hen, per cow was the outstanding factor in maintaining the farm income for 1931 on Washington State farms analyzed by R. M. Turner, Washington State extension economist. Farms having a balance on the credit side of the ledger at the end of the year, he says, were invariably those showing high production per farm unit. Farmers whose yields of crops, milk and eggs were above the average for a group of 371 farms studied made an average farm income during 1931 of \$1090, in one of the county studies, while those in the county having lower than average yields and production averaged only \$57 in farm income. The family size farm withstood the shock of falling prices in 1931 much better than the larger farm business, he says. With lower cash expenses than the larger farms, the smaller farm was able to adjust expenses more to a limited income.

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"CROPS GOOD. PRICES BAD,"  
SAYS ECONOMICS BUREAU.

"Crops growing well - prices very low," the Bureau of Agricultural Economics sums up the farm situation as of July 1. "Growing crops present a generally excellent picture at midseason, but the average price index of farm products is now about 52 per cent of pre-war," says the bureau.

It is pointed out that although the winter wheat crop is considered to be only about 400,000,000 bushels as compared with 787,000,000 bushels last season, the carryover of old wheat is of record proportions, estimated at around 360,000,000 bushels compared with 319,000,000 bushels at this time a year ago.

The bureau finds the movement of new grains and vegetables into trade still "rather sluggish," but a "moderately heavy" movement in livestock products.

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NEW YORK FERTILIZER  
LAW PROVES WORTH.

Thirty-three years ago there were 2,300 brands of fertilizer registered in the State of New York, but now the number ranges from 850 to 900 brands, an "improved condition" which is attributed by New York State Agricultural Experiment Station to the fertilizer inspection law administered by the New York Department of Agriculture and Markets. The service is self-sustaining by means of fees paid by fertilizer manufacturers, says the Experiment Station. The Station chemist cites an instance in the early days of the inspection service when a so-called high-grade fertilizer selling for \$30 a ton was shown by analysis at the Station actually to be worth about \$1 per ton. Such conditions could not exist today, he says, and each year the chemists report increasingly higher standards maintained by the fertilizer trade.

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THE GENERAL AVERAGE of farm prices fell to a new record low level on June 15, at 52 per cent of pre-war. All groups of products except fruits and vegetables showed price declines.

CUCUMBER SHIPMENT REJECTION  
IS HELD UNJUSTIFIED.

S. Joseph, doing business as the Liberty Fruit & Produce Co. of Hartford, Conn., has been ordered by the Secretary of Agriculture to pay Dingfelder & Balish, New York City, the sum of \$67.50, with interest thereon, on account of unjustified rejection of a cucumber shipment, following a hearing under the Perishable Agricultural Commodities Act.

Dingfelder & Balish sold Joseph 15 baskets of cucumbers at \$4.50 per basket. The cucumbers were delivered at New York to a firm of truckmen employed by Joseph, and were delivered by this firm to Joseph at Hartford, Conn. On the day purchased, the cucumbers were inspected at point of shipment by Joseph's authorized representative, but upon arrival at Hartford, Joseph refused the cucumbers and the truckmen then sold the produce in open market, sending a check for the net proceeds to Dingfelder & Balish, which check was not accepted. The Secretary held that rejection was without reasonable cause and awarded damages to the complainant.

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TOMATOES HELD REJECTED  
WITHOUT REASONABLE CAUSE.

The Secretary of Agriculture has found the St. Louis Fruit Co. of St. Louis, Mo., guilty of violation of the Perishable Agricultural Commodities act in that it rejected a car of tomatoes without reasonable cause, and he ordered the facts to be published.

The St. Louis Fruit Co. in August, 1930, contracted to buy from H. G. Hawkins of Yakima, Washington, a carload of tomatoes f.o.b. shipping point. Upon arrival the St. Louis Fruit Co. rejected the car on the ground that the quality did not measure up to specifications in the contract. The fruit company presented only one witness, who testified that the main objection to the car was that the tomatoes were not ripening uniformly; that some were ripe, some turning, and some green. The car was inspected by a representative of the Department of Agriculture and his original inspection report was introduced as evidence. It showed clearly that the tomatoes did comply with the terms of the contract. Furthermore, the official market news report of the Department of Agriculture showed that the market for tomatoes in St. Louis declined considerably between the time of making the contract and the time of arrival of the tomatoes. The Secretary held the rejection of the car to be without reasonable cause and in violation of the act.

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PERISHABLES ACT SAID TO  
IMPROVE TRADE RELATIONS.

The Perishable Agricultural Commodities Act is meeting in general the approval of shippers and receivers and resulting in greater care in making contracts, according to F. G. Robb of the Bureau of Agricultural Economics. The use of approved trade terms, he says, is becoming more general, and the meanings assigned to these terms are being recognized by the trade. There is also an increasing tendency, he adds, to submit complaints to the Department of Agriculture for settlement under the shortened procedure whereby the parties to a complaint agree to waive their right of a hearing and submit their case on the basis of sworn statements covering the case.



## FLORIDA EGG CLASSIFICATION LAW

Answering criticism of the enforcement of the egg classification law of 1927, Neill Rhodes, Assistant Commissioner of the Florida State Marketing Bureau says that "if changes are desired or a new law is required, egg producers should look to the legislature to bring about the desired results. If the producers sit idly and make no changes in the present egg law, they surely should not charge their own indifference to some department of the State government that is doing its best to enforce mild provisions of a rather weak law."

The critics charge that egg shipments into Florida have not been prohibited and prices have not been regulated. Mr. Rhodes points out that the law does not mention in any particular the shipment of eggs nor the price control of eggs. He quotes the legislation as follows:

"Section 1. That within the intent and purpose of this act eggs are classified as: (a) cold storage eggs, construed to mean eggs which have been in cold storage; (b) shipped eggs, construed to mean eggs shipped into the State of Florida which have not been in cold storage; (c) fresh Florida eggs, construed to mean eggs produced in Florida which are neither partly nor wholly decomposed and which have not been in cold storage or processed.

"Section 2. That from and after the passage of this act it shall be unlawful for any person, firm, association or corporation within this State: (a) to offer for sale or sell at wholesale or retail any case of eggs without clearly imprinting thereon, or securely pasting thereto a label not smaller than seven inches by seven inches on which shall be plainly and legibly printed the name and address of the packer of said eggs and the classification to which same belongs as hereinbefore designated; provided, this act shall not apply to any case of eggs not divested of its interstate character. (b) Or to offer for sale or sell any pasteboard or other carton of eggs without first imprinting or stamping thereon in letters not smaller than three-eighths of an inch in height the classification as above set forth in which the eggs contained therein belong, and also the packer's name and address in smaller type. (c) Or to offer to sell or sell eggs in bulk (not in cartons) from any open case, box or other receptacle holding said eggs in bulk without displaying conspicuously on every such open case, box or other receptacle, a placard or heavy cardboard not smaller than eight inches by eleven inches in size on which shall be legibly and plainly printed in letters not smaller than one inch in height wording showing whether the said eggs offered for sale or sold are 'cold storage eggs', 'shipped eggs', or 'fresh Florida eggs'. (d) Or to offer eggs for sale in any newspaper advertisement or circular without plainly designating in such newspaper or circular to which of the above named classifications the eggs being offered for sale properly belong.

"Sec. 3. Any person, firm, association or corporation violating Section 2 of this act is guilty of a misdemeanor and upon conviction thereof shall be sentenced to pay a fine of not less than fifty (\$50.00) dollars nor more than two hundred (\$200.00) dollars, or to imprisonment for not more than ninety (90) days in the county jail."



NEWS BRIEFS

FIFTY CENTS a lamb was gained this year by Adams county (Illinois) farmers as a result of grading and otherwise improving their market shipments for the past two years, according to E. T. Robbins, Illinois College of Agriculture.

HOGS, long ago called the "mortgage lifters" in Iowa, once again appear to be in a position to help "lift mortgages" or at least to afford Iowa farmers a relatively profitable market for their grain, says A. L. Anderson, Iowa State College. He says "there is good evidence that the recent gains in hog prices will hold at least until the usual heavy fall runs begin."

THE NUMBER of milk cows and heifers to freshen in the next four months is substantially greater than the number on hand last year, says the U. S. Crop Reporting Board. In commercial dairy herds for which freshening dates were reported, the number of cows due to freshen in the next four months was 13 per cent greater than the corresponding number a year ago.

THE MAIN CURRENT FARM INSURANCE PROBLEMS of mutual insurance companies, says V. N. Valgren, Bureau of Agricultural Economics, are the avoidance of unduly bad physical risks, the avoidance of the moral hazard, and the keeping of good members loyal to the company.

USE of indefinite terms such as "Choice Timothy", "Sound Brown Alfalfa", and "Pea Green Leafy Alfalfa" in the marketing of hay, says the Bureau of Agricultural Economics, has resulted in much dissatisfaction because of the difficulty of interpreting them and the difference of opinion between buyers and sellers. It is believed much deception has resulted from the buying and selling of hay on such indefinite terms.

MOVEMENT of farm youths to cities, lack of agricultural equipment, high mortgages, poor roads, and the inexperience of farmers, says New Jersey State Department of Agriculture, have been the principal causes of the total or partial abandonment of 300 Hunterdon County farms, embracing a total area of 24,000 acres.

"CLASSES AND GRADES of Cattle and Calves Marketed from North Dakota - 1929," is the title of Bulletin 254 recently issued by North Dakota Agricultural College, Fargo, N. D.

A BIBLIOGRAPHY entitled "Advantages and Disadvantages of Country Life" has been issued by the United States Bureau of Agricultural Economics.

MIMEOGRAPHED copies of recent radio talks, now available from the Bureau of Agricultural Economics, include "Grain and Cotton Production Costs of 1931," by M. R. Cooper; and "1932 and After in American Agriculture" by Dr. C. L. Holmes.

"AGRICULTURE OF THE AMERICAN INDIANS", a classified list of annotated historical references, is the title of a bibliography now available from the Bureau of Agricultural Economics



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### CALIFORNIA WARS ON UNLICENSED PRODUCE DEALERS.

A campaign against unlicensed dealers who obtain consignments of fruits, melons, and other crops, in violation of local laws, is being waged by California Department of Agriculture. The operations of unlicensed dealers, according to C. J. Carey of the department's bureau of enforcement, "have caused a loss of many thousands of dollars to farmers and other growers within the past several months. This loss has been so great that the department has renewed its request to farmers and county prosecution officials to proceed against these dealers with the greatest possible vigor, and to report to the department all infractions or threatened infractions of the licensing laws, and all other irregularities relating to the activities of such dealers.

"We have several arrests and prosecutions pending in different parts of the State," Carey adds, "and with the cooperation of the growers and the various district attorneys we hope to put the wildcat operators where they belong, for the protection of growers and the licensed trade. All registered dealers carry credentials issued by the department, and growers should demand them when approached on consignment or credit transactions."

Unlicensed dealers are reported as having been particularly active throughout the San Joaquin Valley.

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### MINNESOTA LAUNCHES DRIVE FOR "TOP LAMB PRICES."

Top lamb prices for every producer will be the aim of a drive in fifty-one counties in Minnesota, beginning on July 19, through the co-operation of the Minnesota Department of Agriculture, five railroads, the South St. Paul Union Stock Yards, and two marketing organizations.

The aim of the drive, under the direction of W. E. Morris, live-stock extension specialist of the University of Minnesota, will be to show farmers by means of a series of demonstrations how to recognize good mutton on the hoof. At each of the farm demonstrations, lambs will be sorted by grade and farmers will handle the lambs and study differences. The demonstrator will show which lambs are ready for sale and discuss methods of bringing the others to top grade.

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WHEAT GROWERS are being cautioned by the United States Department of Agriculture against storing wheat that contains excessive moisture or green weed seed, because such wheat stored for even brief periods of time becomes musty, sour, or heated, and eventually unfit for human consumption. Considerable wheat of high moisture content is being received at terminal markets in the Southwest.



CUTS MARKET NEWS LIST  
AND INCREASES DISTRIBUTION.

Press associations and radio broadcasting stations are affording State and Federal market news agencies a means for increasing the distribution of market news reports despite a reduction in mailing lists in the interests of economy.

John W. Coleman of the New Orleans fruits and vegetables office of the United States Bureau of Agricultural Economics reports that "we have tried to keep down our mailing list by getting our reports into as many daily papers as possible. The three daily newspapers in New Orleans use our quotations. The Associated Press sends our report to 23 daily papers in Louisiana and Mississippi. Four radio stations broadcast our quotations. Letters to the various newspapers and to the broadcasting stations indicate that many people are getting our daily quotations through these channels rather than through the daily mimeographed bulletins."

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VIRGINIA STRESSES VALUE  
OF EGG GRADING.

The cost of the official egg grading in Virginia ranges from 1 cent per dozen for 50 to 100 cases per week with a graduated decrease of 10 per cent for every 100 cases per week increased to 1/2 cent per dozen for more than 500 cases per week, reports J. H. Meek, director, Virginia Division of Markets.

The division recommends that the organizations, firms or persons contracting with the division for the grading service make deductions for their services of receiving, handling and selling the eggs, of not to exceed 2 cents per dozen when the volume is 100 cases per week or less, and reduce the deductions 10 per cent for every 100 cases per week above 100 until the volume is over 500 cases per week, when the charge should not exceed 1 cent per dozen.

Mr. Meek says that the egg grading service does not always net producers more money for each lot of eggs but that on an average over a long period or a year many of the better producers will get from 10 per cent to 20 per cent more than they would without it.

The division has recently issued three pamphlets to aid farmers in producing and marketing better eggs and baby chicks. They are: "Better Eggs for Virginia Farms," "Some Important Facts About the Federal-State Egg Grading Service in Virginia," and "Virginia State Certified Chicks."

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IDAHO PUBLISHES RESULTS  
OF HOG PRICE STUDY.

Publication of a bulletin entitled "Hog Prices and the Hog Enterprise on Idaho Farms," by T. L. Gaston, has been announced by Idaho College of Agriculture.

Two other bulletins now in process of printing and which will be available about August 15 are "Efficiency of Cream Stations in Cream Collection," by C. O. Youngstrom, D. R. Theophilus, F. W. Atkeson, and G. N. Tucker, and "Planning the Farm Business for the Year Ahead," by Paul A. Eke and Ezra T. Benson.



ILLINOIS IS REDUCING  
SURPLUS MILK PRODUCTION.

Members of Illinois dairy herd improvement associations are culling their cows at a record rate, thereby reducing heavy surpluses of milk, according to C. S. Rhode, Illinois College of Agriculture.

It is estimated that more than 20,000,000 pounds of milk will be kept off the market this year if culling continues at the rate it has been going during the first five months, Rhode says. In that time, members of dairy herd improvement associations have culled out nearly 10 per cent of their cows and sold them for beef. At that rate almost a fourth of the cows in the herds of members will be culled during the year.

Benefits of the culling are cited in the case of a Tazewell county dairyman who got rid of 11 cows, or almost a third of his 32-cow herd. He put 37,972 pounds less milk and 1,334 pounds less fat on the market the following year. The herd of 21 cows returned \$985.43 more above cost of feed than the 32 cows had the year before.

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CALIFORNIA DEPARTMENT ANALYZES  
LOS ANGELES PRODUCE RECEIPTS.

Los Angeles last year received 62,256 carloads of fruits and vegetables on its markets, from eighteen states, Hawaii, and six foreign countries, according to the agricultural department of the Los Angeles Chamber of Commerce. Of this volume, California supplied 51,997 cars, or 83.5 per cent. The area within 100 miles of the Los Angeles markets contributed 29,817 cars, or 47.9 per cent of the total receipts of fruits and vegetables.

Practically the entire receipts originating within an area of 250 miles of the city are brought in by truck, the Chamber says, reflecting the development in recent years of highways stretching into producing districts on every side. Trucks also hauled produce from points up to 500 miles.

Truck receipts accounted for 64.3 per cent of the total unloads, or 40,012 carloads, of which 29,817 cars or 74.5 per cent, were produced within 100 miles of the city. It is reported that market garden acreage in this area has increased from 3,200 acres in 1925 to close to 5,000 acres in 1931, and that much land contiguous to the city, formerly in field crops or fruits, and even idle lands, have been put to intensive use during the past decade.

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COTTON CONTINUES TO  
BOLSTER FARM EXPORTS.

Cotton continued in May as the principal export from American farms. The index of the export of farm products as computed by the Bureau of Agricultural Economics was 74, compared with 66 for May, 1931. and 56 for May, 1930. This farm export index is based on the quantities of 44 farm products. Excluding cotton, the index of the other 43 exports is 75, compared with 89 in May last year and 90 in May, 1930.

Cotton exports showed a seasonal decline in May but were larger than May exports of the preceding three years. The United Kingdom and Germany were the leading buyers of American cotton in May.



PITTSBURGH DEALER ORDERED  
TO PAY FOR CAR OF PEPPERS.

Joseph Flaherty Co., of Pittsburgh, Penna., has been ordered by the Secretary of Agriculture to pay H. B. Ray, of Ponchatoula, La., the sum of \$287.20, with interest thereon, following hearing of a complaint and counter-complaint under the Perishable Agricultural Commodities Act.

The case involved a car of peppers in bushel hampers. Flaherty accepted the peppers but failed to pay the agreed price. This refusal was because the peppers were bought as U. S. No. 1 grade and Flaherty claimed they did not grade U.S. No. 1. Inspection certificate issued at Ponchatoula showed the peppers to be U. S. No. 1. Inspection made five days later at Pittsburgh showed that part of the load then remaining in the car was not U.S. No. 1. Flaherty made demand for a discount of 10 cents per hamper or \$86.80, and his counter-complaint asked reparation in that amount. After filing the complaint, Ray agreed to pay this amount but asked reparation in the balance due him, \$287.20. Flaherty admitted owing that much and stated that he would pay this sum when a defunct bank in which his funds were deposited paid dividends. The effect of the decision is that the allowance of \$86.80 was approved, and Flaherty was ordered to pay the balance of \$287.20 plus interest at 6 per cent from November 23, 1931.

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COMPLAINT DISMISSED ON  
ACCOUNT OF NEW CONTRACT.

Baker Produce Corp., of Norfolk, Va., sold Vernon Shultz, of Kenton, Ohio, a car of potatoes on a delivered basis as U.S. No. 1 stock. Upon arrival, Shultz inspected and refused to accept the shipment, claiming that the potatoes were undersized and not acceptable for that reason. Because of a decline in the market, Baker Produce Corp. was unable to get a better offer for the car from anyone else and reduced the draft on Vernon Shultz \$200. The Secretary of Agriculture, hearing the case under the Perishable Agricultural Commodities Act, held that this action constituted the entering into of a new contract, which superseded the old one, and that therefore the complaint should be dismissed.

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FAILURE TO PAY MEANS  
FAILURE TO ACCOUNT.

In November and December, 1930, the Michigan Land Company of McGuffey, Ohio, and Nathan Segall of Montgomery, Alabama, entered into contracts for the sale of two cars of No. 1 onions at \$1.50 and \$1.60 delivered. Segall accepted the onions in the car, but failed and refused truly and correctly to account therefor. Segall contended that the complaint filed by the Michigan Land Company did not charge a violation of the Perishable Agricultural Commodities Act; that it charged that Segall failed, neglected and refused to pay complainant the purchase price in violation of Section 2 of the Act, and that this statement was a conclusion and did not state a cause of action, and, third, that the complaint averred that there was due and owing the Michigan Land Company the sum of \$240, without averring any duty on the part of Segall to account for the things averred in the complaint, and that the complaint therefore alleged no facts which would truly con-

stitute a violation of the Act.

The Secretary of Agriculture held that the substance of these contentions related to the question of whether or not Section 2, paragraph 4, of the Act might be construed to apply to failure to pay, and held that failure to pay does constitute failure truly and correctly to account. He ordered Segall to pay the complainant the sum of \$420, with interest thereon.

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### NEWS BRIEFS

LONG ISLAND strawberry shippers are reported to be wrapping individual quart baskets with a transparent paper top and using paperboard cartons instead of wood crates as a shipping container. The first berries packed in this new way came on the markets early in June, and are said to have brought higher prices than berries in the conventional pack.

THE MILLING TRADE prefers durum wheats which produce semolina and macaroni having a natural rich creamy color, says North Dakota Agricultural Experiment Station which is doing experimental work on regional and seasonal variation in pigmentation or color of durum wheats.

MARIN COUNTY (California) dairymen, with 2,957 less dairy cows in 1930 than in 1920, were able to produce an additional income of \$448,826.31 last year over the 1919-20 figure, because of increased milk fat yield resulting from a program of better feeding, better breeding, selection according to cow-testing association records, and more healthy animals, says M. B. Boissevain, farm advisor in Marin County for California College of Agriculture.

HEATING perishable fruits and vegetables in refrigerator cars according to the temperatures within the cars, instead of following the common practice of heating them according to the outside temperatures, may result in substantial savings to shippers and in better maintenance of the keeping quality of the fruit, according to the United States Bureau of Plant Industry which has been making experiments in this field.

"FARM-MORTGAGE TERMS AND CONDITIONS, 1930-1931," is the title of a preliminary report by David L. Wickens, agricultural economist, now available from the Bureau of Agricultural Economics. The report shows, among other things, that an increased percentage of loans were taken by private investors last year.

"COOPERATIVE MARKETING MAKES STEADY GROWTH", is the title of a bulletin recently issued by the Federal Farm Board. The bulletin contains statistics, charts, and text showing how the "Agricultural Marketing Act helps farmers in developing local, regional and national producer owned and controlled organizations."

"MARKETING SOUTHERN CALIFORNIA TOMATOES, Summary 1931 Season," and "Marketing the Arkansas Peach Crop, Summary of 1932 Season," are the titles of mimeographed reports now available from the Bureau of Agricultural Economics.



"THE GRAPE INDUSTRY, - A Selected List of References on the Economic Aspects of the Industry in the United States, 1920-1931," is the title of a bibliography recently issued by the Bureau of Agricultural Economics.

#### CERTIFICATION OF APPLES FOR EXPORT TO GREAT BRITAIN

BY R. C. Butner, Specialist in Inspection,  
U. S. Bureau of Agricultural Economics.

The British embargo of 1930, prohibiting the importation of low-grade American apples during the period July 7 to November 15, has been made permanent. The order permits the importation of only the higher grades of apples, and any grade of barreled apples lower than U.S. No. 1 or any grade of boxed apples lower than Fancy is not permitted to enter the country. A special form of certificate is required, showing that each lot of apples meets one of the recognized grades. This certificate will be issued at the ports only and will not be issued at shipping point or any interior market.

The Special Certificate, specified by the British Apple Order, will be issued at ports of export only. This certificate will not be issued unless the packages are marked to show (1) the name and address of the packers, (2) the variety, (3) grade, and (4) minimum size. This information should appear in label, stamp, or stencil form, and unless all points have been included the Special Certificate will be refused. On lots which are incorrectly marked as to minimum size, the Special Certificate will not be issued until the packages are properly marked. Markings as to minimum size apply to eastern apples in barrels and baskets and to jumble-packed boxes but not to tier-packed apples in boxes, which are marked with the number of apples contained therein. A check mark should be placed after the name of the grades represented in a lot covered by the Special Certificate. In the case of combination grades, they will be certified as of the lower grade. This Special Certificate will be issued on the basis of the Export Form Certificate, subject to proper identification and check. When the Export Form Certificate is not obtained at shipping point, it may be obtained at the port, provided the apples meet all the requirements as to San Jose scale, apple maggot and worms, and freedom from spray residue. Only those lots which meet the requirements of the grades specified in the order can be exported to Great Britain.

The fee for a special quarantine certificate, required on export shipments of apples to Great Britain between July 7 and November 15, 1932, shall be \$1.00 when issued at United States ports and \$4.00 when issued at Canada ports. When inspection is made to determine grade or the presence of San Jose scale, or when samples are drawn for chemical analysis, the regular fee of \$4.00 per car will be charged for the Export Form Certificate and no charge made for the Special Form Certificate. The fees are to apply when the special forms are issued on the basis of Export Form Certificates without actually making inspection of the fruit, except for the purpose of identification and check.



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NORTH CAROLINA MARKETSDIVISION REPORTS ACTIVITIES.

Major activities of the North Carolina Division of Markets during the first six months of this year, according to R. B. Etheridge, chief of that division, included efforts to impress farmers of the state with the advantages and benefits of community or county exchanges for the economical buying of fertilizer, seed, and other farm supplies; the distribution of market news by radio and the press; tobacco grading, and soy beans inspection.

The division cooperated with the Federal Bureau of Agricultural Economics in the issuance of daily bulletins on strawberries from Chadbourne, and on white potatoes from Washington, so as to give growers and shippers pertinent information as to f.o.b. prices at the larger shipping points, the number of cars shipped each day, the number of cars received at the larger terminal markets, and market prices. Also, in cooperation with the Federal bureau, market information as to major fruits and vegetables shipped out of North Carolina is broadcast daily from radio station WPTF at Raleigh.

Tobacco grading was carried on at Washington, Williamston, Wendell, Fuquay Springs, Henderson, Farmville, and Oxford, some 6,469,916 pounds having been graded as compared with 4,980,840 pounds last season. Inspection service on soy beans was made available to growers and shippers through field offices of the division at Washington and Elizabeth City, where 161 lots covering 57,225 bushels were certified as to grade.

Mr. Etheridge reports the organization of twenty-five new community and county exchanges; the location of a district office of the National Fruit and Vegetable Exchange, at Norfolk, to serve individual farmers and marketing organizations of North Carolina, and the holding of meetings looking toward the formation of a state exchange for peanuts. The division is making individual studies of the annual reports of mutual exchanges and cooperative organizations in the state, and conferences have been held to improve the standardizing and marketing of eggs, poultry, livestock, fruits, vegetables, and other farm crops.

Farm products inspections and certification as to grade required a temporary personnel of twenty-five men operating at division field offices at twenty-four shipping points. Inspections covered more than twelve hundred thousand packages of potatoes, strawberries, peas, beans, dewberries, cucumbers, sweet potatoes, huckleberries, and green corn.

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AN APPLE EXCHANGE has been organized at St. Louis, Missouri, to handle truck receipts of apples from Calhoun County, Illinois. The plan is to concentrate all truck receipts at the Exchange and to sell the apples at 10 a.m. and 2 p.m. each day except Saturday.

U. S. Dept. of Agriculture Library,  
Attn., Miss Trolinger,  
4 K Washington, D. C.



MARYLAND MARKETS DEPARTMENT  
REPORTS NUMEROUS ACTIVITIES.

Standardization continues to be one of the principal factors of our marketing problem, says the University of Maryland Extension Service in its seventeenth annual report covering the year 1931. Progress is reported principally through shipping point inspection which was extended last year to include raw tomato stock for canning factories.

From December 1, 1930 to November 30, 1931, there were inspected 2,254 cars of nine different commodities. For the first time in eight years of shipping point inspection, a substantial number of requests were received for inspection of early and summer apples, and approximately 70 per cent of the total shipments of apples in the state was inspected. There was a marked falling off in inspections of peaches and potatoes, due to low prices and unsettled market conditions.

Inspection service on canning house tomatoes was conducted at twenty-seven places in the state during the canning season. A general policy was agreed upon, whereby a majority of the canners bought tomatoes on a graded basis and paid for them at the rate of 150 per cent of the basic price for U.S. No. 1's, 75 per cent of the basic price for U.S. No. 2's, and nothing for culls.

Market reporting was carried on in cooperation with the Federal Bureau of Agricultural Economics. A survey of approximately 80 per cent of the turkey growers in the state revealed a desire for better grading, standardization, and establishment of a central dressing plant. Progress in seed certification work is reported, approximately 40,000 bushels of seed potatoes, and 1,815 pounds of tomato seed, having been certified.

A study of market conditions in Baltimore revealed a need for better grading and packing practices among growers delivering produce to that market, and a survey of the egg market in Washington, D. C. yielded the conclusions that Washington is a white egg market; that chain stores offer eggs of a higher score and in neater packages than independent stores, although the interior quality of the eggs handled by the independent stores score higher than those handled by chain stores; that stores catering to both high-class white and colored people handle better grades of eggs; that consumers pay more for eggs at independent stores than at chain stores, and that the cost of distribution, including commission, profits, etc., in handling eggs equals approximately the price paid to producers for their eggs.

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NEW JERSEY ENACTS  
NEW LABEL LAW.

Authority to restrict the use of the map of New Jersey as a label on New Jersey farm products to those which meet high-quality standards has been accorded the New Jersey Department of Agriculture by the State Legislature. The outline of New Jersey is already being used by the department to identify eggs and milk which meet its grade standards, and use of the outline on labels for vegetables and fruits is contemplated by the department as an aid to farmers by stimulating the demand for high quality New Jersey farm products.

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THE AMERICAN Institute of Cooperation is now in eighth annual session at New Hampshire State University at Durham, to continue until August 12.



NEW YORK RESEARCH  
COUNCIL "FURLOUGHED".

The New York Food Marketing Research Council, established in 1926 for the purpose of promoting and coordinating research in all aspects of the distribution and handling of foodstuffs in the New York market, has been placed on an inactive status for the fiscal year July 1, 1932 - June 30, 1933, because of economies necessitated by the reduced budgets of the co-operating members. All correspondence regarding the Council should be addressed to Allen Waller, Chairman, who is located at the New Jersey Agricultural Experiment Station, New Brunswick, N. J. Printed proceedings of past quarterly meetings of the Council may be ordered from Mr. Waller. It is anticipated that the Council will be re-established on an active basis when conditions warrant.

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CORN BORER QUARANTINE  
IS REVOKED.

Secretary Hyde announced on July 13 that he had revoked the domestic European corn borer quarantine and regulations, effective July 15, 1932. All Federal restrictions on interstate shipments under the quarantine have been cancelled. The reason for the revocation, Secretary Hyde said, "is the failure to obtain funds sufficient to maintain effective control. Revocation of Federal regulations will give uninfested States an opportunity to issue such orders as they may feel necessary for protection against introduction of infestation. The department will continue scouting to determine the limits of distribution of the borer."

New Jersey Department of Agriculture was informed by the State of Georgia, July 14, that should the quarantine be revoked, Georgia will place an embargo on any plants from New Jersey which might carry the insect, and that other southern states were considering similar action. Secretary Duryee of the New Jersey Department of Agriculture told the Georgia authorities that "such drastic action is entirely uncalled for in view of the slight amount of damage caused by the insect in New Jersey."

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CALIFORNIA SEES GOOD  
TIME TO BUY FARMS.

"Many farms and farm lands are now below their intrinsic producing value, when viewed over a long period of time, and in the hands of competent farmers; and if this is so, then this is bargain day for farm lands; it is a good time to buy but a poor time to sell," according to R. L. Adams, University of California professor of farm management.

Professor Adams, discussing changes in California farm values and prices, says that during ten years prior to March 1932 the price level of California lands had dropped from 158 to 133, a drop that is less for California than the average for the United States, where the decreased total dropped from 106 to 89.

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"SOME PHASES of the Long-Staple Cotton Situation in the United States," by A. M. Agelasto, W. W. Fetrow, and C. C. Farrington, is the title of a mimeographed report just issued by the Federal Bureau of Agricultural Economics.

### TENNESSEE STUDIES FARM INCOME FACTORS.

A study of twenty-six middle-Tennessee farms, just completed by the University of Tennessee extension farm management department, show that six important factors or practices in farm management made a marked difference in labor incomes on these farms in 1931.

The six factors were: (1) Number of important sources of receipts; (2) returns per dollar's worth of fed livestock; (3) receipts per animal - cow, ewe or hen; (4) crop yields per acre; (5) percentage of land in hay and small grain; (6) amount of roughage and grain feeds bought.

The highest labor income farm in the group made an income of \$1,533 more than the lowest income farm of the group.

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### RHODE ISLAND CAMPAIGNS ON EGG QUALITY.

Rhode Island Bureau of Markets is distributing among retailers a leaflet designed to secure better retail handling of eggs. It urges retailers to keep a good thermometer in cellars or egg storage rooms, and tells them that the most favorable cold storage temperature for eggs is 29 to 30 degrees; that a suitable temperature for keeping eggs is between 40 and 55 degrees, and that they should avoid holding eggs above 60 degrees. Fertile eggs start germination at 69 degrees, and eggs deteriorate very rapidly in quality between 70 and 100 degrees.

The bureau suggests that retailers keep eggs in a cool place, free from excessive moisture; and to display eggs in a manner that will best suit their perishable nature. They are urged to buy eggs often, and to use cartons for convenience and safety.

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### ILLINOIS URGES CAREFUL APPLE HARVESTING AND PACKING.

In an effort to induce apple growers to prevent the bruising of apples during harvesting and packing, R. S. Marsh of Illinois College of Agriculture cites marketing studies which have revealed wide differences in market price as a result of methods of handling fruit in orchards. In one case, he says, there was a difference of 65 per cent between the prices received for apples at the terminal market as a result of the method of harvesting and grading.

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### NEW JERSEY TO OPEN POTATO NEWS OFFICE.

Market news information will be made available to potato growers of central New Jersey through the operation of a branch office of the New Jersey Department of Agriculture, in Hightstown, from July 25 to the end of the potato harvesting season. Timely data on f.o.b. prices, farm prices, potato shipments from New Jersey and competing states, and supplies at important markets will be issued from the office.



ROANOKE BUYER ORDERED  
TO MAKE REPARATION.

S. S. Bisese of Roanoke, Virginia, has been ordered by the Secretary of Agriculture to pay to C. S. Carney of Ripley, Tennessee, the sum of \$107.10, in reparation for failure truly and correctly to account, as determined in a hearing under the Perishable Agricultural Commodities Act.

Complaint was filed by Carney against Bisese, buyer, and W. L. Andrews Co., Inc., who acted as broker in the transaction. The contract called for one car of U. S. No. 1 tomatoes, containing not more than 10 per cent '72's, balance "nice large stock", and confirmation of sale covering the transaction was issued. The car was inspected at shipping point and was found to grade U.S. No. 1, with sizes ranging from 48 to 72. It arrived at Roanoke on June 20, 1930, and was unloaded between that time and June 23. The draft was not paid, Bisese claiming that it had been returned by the bank at Roanoke. The record, however, shows that it was in the possession of the Roanoke bank at the time of arrival of the car and remained there until June 28.

On June 25 Bisese requested Andrews to attempt to secure an allowance of 10 cents per crate. Andrews sent Carney a telegram stating that the tomatoes were very ripe and small and that Bisese would accept them, if allowed 10 cents per crate, and that the bank had returned the draft before the car arrived. Although sent six days after arrival of the car, the wording was such as to make Carney think that the car had just arrived. He thereupon advised Andrews to get the best possible settlement from Bisese and send the freight bill. Andrews granted an allowance of 10 cents per crate and Bisese forwarded a check for \$107.10 less than the contract price. It was three or four weeks later that Carney received the freight bill and learned that the car had been unloaded at least three days before the broker sent his wire.

While it has been held that the granting of an allowance abrogates the original contract and constitutes the entering into of a new contract, this rule does not apply when there is fraud, misstatement of facts, or duress. The Secretary held that the telegram referred to above was so worded as to deceive the complainant; that the allowance granted was obtained through misrepresentation of facts such as to constitute fraud, and that the allowance should be awarded the complainant as reparation. He thereupon found Bisese guilty of failure truly and correctly to account for the car and Andrews Co. Inc. guilty of making false and misleading statements concerning the car in violation of Section 2 of the Act.

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AGRICULTURAL EARNINGS  
IN NORTHERN MINNESOTA.

The earnings of fifty-five northern Minnesota farms, for the year ended April 1932, averaged 5 per cent on an average investment of \$10,664 and \$316 for family labor, according to W. L. Cavert, Minnesota Extension Service. The value of unpaid family labor was estimated at \$260. This would leave \$50 to pay for the labor and management of the operator. On these records no depreciation was figured on cows, due to the general decline in cattle prices. If this item had been considered, the earnings would have been less. The farms are in St. Louis, Carlton, Itasca, Wadena, Hubbard, Clearwater, Beltrami, and East Polk Counties.



NEWS BRIEFS

THE FARM POPULATION was 31,260,000 persons on January 1, 1932, compared with 30,612,000 on January 1, 1931, a gain of 648,000, according to estimates by the Bureau of Agricultural Economics. The increase in 1931 was the largest and most significant recorded in the ten years in which the bureau has been estimating changes in population. The bureau estimates that 1,472,000 persons left farms for towns and cities last year, and that 1,679,000 persons moved farmward. The surplus of births over deaths on farms was 441,000.

THE AVAILABLE SUPPLY of farm hands is approximately twice as large as the effective demand, and farm wages are reported at the lowest figures in thirty years, says the Bureau of Agricultural Economics. The demand for farm labor on July 1 was 62 per cent of normal, and the supply of farm hands was 123.6 per cent of normal. The index of the general level of farm wages on July 1 was 87 per cent of the pre-war level on that date.

IF, BY SOME MEANS, the 1929 level of wholesale prices for all commodities were restored, farm prices would rise higher than they were in 1929, because some reduction has been made in distributing charges, say G. F. Warren and F. A. Pearson of Cornell University. Any rise in the price level, they say, will result in a greater proportionate rise in farm prices.

BY PRODUCING EGGS at a feed cost of 7 cents per dozen, 197 Alabama poultrymen owners of farm demonstration flocks are operating successfully with low prices for eggs, says Alabama Extension Service. Many of them are under the average cost of 7 cents per dozen.

APPROXIMATELY 146,000 bales of cotton in the form of new cotton bags were used by flour mills last year, according to the Bureau of Agricultural Economics, which estimates that an additional 165,000 bales would have been consumed had the milling industry substituted new cotton bags for other containers. The general practice of mills is to use burlap bags as large-size containers; cotton bags are used in all sizes but more commonly in the medium sizes, and paper bags find favor as small retail containers.

A LIST OF IDLE FARMS which are for sale in New Jersey is being prepared by the New Jersey Department of Agriculture for distribution among prospective buyers.

MIMEOGRAPHED COPIES of recent radio addresses by members of the Bureau of Agricultural Economics are now available, as follows:

- "The Hay Market Situation", by W. A. Wheeler, July 5.
- "Farm News from Foreign Lands," by L. A. Wheeler, July 6.
- "Cotton Crop Report," by D. A. McCandliss, July 8.
- "July Crop Report," by W. F. Callander, July 12.
- "The Pig Crop Report," by C. L. Harlan, July 12.
- "The Prospect for Fruit and Vegetable Crops on July 1," by Paul L. Koenig, July 12.
- "Grain Crop Prospects," by Dr. S. A. Jones, July 12.
- "July Hog Markets," by C. A. Burmeister, July 13.



# MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

July 27, 1932

Vol. 12, No. 30.

### STATES OUTLINE MARKETING SERVICE AND RESEARCH PROGRAMS.

#### Survey Yields Data on Vital Services to Agriculture: Economies Without Sacrificing Needed Activities Are Sought.

Efforts to effect economies in the expenditure of public funds, but without sacrificing marketing services and economic research activities that are vitally needed in this time of agricultural stress are being made by State bureaus of markets and State colleges of agriculture. Officials in charge of these activities in the States have replied as follows to an inquiry with regard to their work programs this year:

Arkansas: "We contemplate no change in our research program in connection with marketing. We have just completed a three-year study of local cotton marketing and are publishing the report. Our marketing research will therefore be reduced to this extent." - C. O. Brannen, Department of Rural Economics and Sociology, University of Arkansas.

Connecticut: "Our market news, produce inspection and standardization services will continue during 1932 on practically the same basis as in 1931. We operate on a biennial budget in the State of Connecticut and if any change is to be made it probably will not be effective until July 1, 1933 when our new appropriation becomes available.

"We are not adding any new men to our staff and the increase in the demands of our work is being taken care of by saddling an extra load on the present personnel\*\*\*We have just effected a new arrangement with the Bureau of Agricultural Economics pertaining to the cost of supervising federal-state shipping point inspection. This should represent a saving particularly if our work does not assume greater proportions than it did a year ago.

"New projects recently launched include the Connecticut egg quality program and the approved roadside marketing project. Our market reporting service is on a daily basis in Hartford, New Haven, Bridgeport and Waterbury during the summer months or during the period when local produce dominates the market. Norwich and New London are each covered three times a week. On or about October 1 New Haven and Bridgeport will continue on a daily reporting basis with Hartford, Waterbury, Norwich and New London reported three times a week. Our 'Connecticut Market Bulletin' is published on Monday, Wednesday and Friday and goes to 4,340 subscribers.

"At present we are taking a survey of actual vegetable acreage in the State which will be summarized by counties and compared with the intended figures reported last February. We are also planning to conduct a rather extensive consumer preference survey to try and determine the qual-



ities which consumers look for in vegetables and fruits as well as eggs." - Sidney A. Edwards, Director, Connecticut Bureau of Markets.

Delaware: "We have not made any changes in our marketing program during this year. All the research work along marketing lines is being done by one man, and the projects are those that have an immediate bearing upon current conditions. I am working on the marketing of early apples for Delaware. I am doing some consumer demand work and production work as it affects marketing." - H. S. Gabriel, assistant agricultural economist, University of Delaware.

Idaho: "Outside of strict economy wherever we can find an opportunity to apply it little or no changes are being made. We are trying hard to get our service a little closer to the places where it is really needed." - F. Lee Johnson, Commissioner of Agriculture, Idaho.

Kansas: "Our potato inspection service is being maintained on the same basis as previously, with the exception that potato inspectors have been reduced in pay." - J. C. Mohler, Secretary, Kansas State Board of Agriculture.

Michigan: "I know of no changes in our department in relation to marketing activities excepting that the publication of the market news appropriation has been reduced 15 per cent along with the reduction made on all of our activities. This will have to be met by either sending out a smaller number or publishing the news for a shorter period, whichever way seems best." - Herbert E. Powell, Commissioner, Michigan Department of Agriculture.

Nebraska: "We have had a reduction of about 10 per cent in maintenance and a small reduction in salaries as compared with last year. A part of this decrease will be met by increased economy of operation. For example, we are paying hour help a lower rate than formerly. We have made no changes in our projects because of the financial condition. We closed one project near the end of the last fiscal year that had been running for some time and will close another long time project during this year. These projects are closed because the work undertaken is completed. We will probably be taking up something new by the end of this fiscal year, but as yet are undecided as to which one of several things that we should like to do will be undertaken." - H. C. Filley, professor of rural economics, University of Nebraska.

New Hampshire: "We are not changing our publication, the Weekly Market Bulletin, in any particular as yet. The probable reason for this is the fact that our Legislature meets biennially and it will probably be this next session opening in January which will curtail expense accounts. Our state administration has requested that we make all possible economies, which we are, of course, trying to do." - L.A. Carlisle, agent in marketing, New Hampshire Department of Agriculture.

North Carolina: "Our marketing research work is devoted largely to cotton marketing and cooperative marketing. An extension specialist in organization and credit has been employed since last November, - J. W. Johansen,



formerly of the University of California. Mr. Johansen has taken an active part in the marketing and credit phases of the outlook meetings. He has also worked directly with county agents assisting them to work out better local marketing programs. Particular attention has been given to the building up of strong local and county cooperative associations. Attention has also been directed to the problem of dove-tailing the cooperative work of this State into the regional and national cooperative organizations sponsored by the Federal Farm Board. Particular attention has been given to educational work in relation to the Eastern Livestock Marketing Association, the National Fruit and Vegetable Growers, and the Producers Mutual Exchange of North Carolina. Recently, attention has been given to the building up of a peanut cooperative which would later become a unit in a regional peanut cooperative." - Joseph G. Knapp, associate agricultural economist, North Carolina State College.

Pennsylvania: "We are in the midst of a special session of the Legislature, and until the Legislature adjourns it is impossible to tell what changes in market news, produce inspection, and other services will be necessary. If our funds are left intact we contemplate several expansions, such as several new egg auctions, marketing Pennsylvania products under a State trade mark, and supervision of roadside markets." - George A. Stuart, Director, Pennsylvania Bureau of Markets.

Pennsylvania: "We are expecting that we will have from 20 per cent to 30 per cent less research money than last year, and these economies will apply to marketing just the same as to farm management and the other projects in the department. Our marketing projects all along have been of a rather dynamic type, dealing with current economic conditions." - F. P. Weaver, Department of Agricultural Economics, Pennsylvania State College.

Rhode Island: "The principal service to be rendered by the Bureau of Markets of the Rhode Island Department of Agriculture during the fiscal year 1932-33 is as follows:

"1. Promulgation of official grades for farm products and the incident inspection and enforcement thereof. It is not contemplated at this time that any new grades will be set up during the coming year as we prefer to devote the time to the perfection of grades already in existence.

"2. Collection and distribution of information pertaining to quality, quantity, prices, etc. of farm products. This is issued in the form of market reports.

"3. Enforcement of the Pure Seed Law.

"4. Enforcement of the Poultry Licensing Law.

"5. Increased activity in the operation and inspection of roadside markets.

"6. Supervision of poultry breeding flocks including R.O.P. work.

"7. Timely advice and information pertaining to the marketing of specific crops and products.

"The appropriation under which the activity of this Bureau will be conducted during this fiscal year is practically the same as last year, and all unnecessary duplication of effort has been eliminated and services extended

to the fullest limit of the appropriation available." - M. H. Brightman, chief, Rhode Island Bureau of Markets.

Utah: "We have made no changes this fiscal year in market news service, produce inspection, standardization of markets, etc. Our State is divided into ten districts, in each of which we have a district agricultural inspector who has a wide field of activity, but also has charge of produce inspection and largely does the work himself. During the shipment of our fruit products we employ local men temporarily to assist him, the cost of which is paid by the producer." - Harden Bennion, Commissioner, Utah State Board of Agriculture.

Virginia: "There have been no drastic changes in the activities of this office." - J. H. Meek, director, Virginia Department of Agriculture.

Next week we shall publish some additional replies to our inquiry regarding current programs.

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#### LOUISIANA PRODUCE INSPECTIONS REDUCED.

Louisiana shipping point inspections for the fiscal year, 1931-32, totaled 7,247 carloads of fruits and vegetables, compared with 11,795 carloads inspected the previous year. This represents an actual decline of 4,528 carloads but the number of cars shipped was also smaller so that the percentage of cars inspected was actually higher than in the previous year, according to Hunter S. Moles, supervising inspector, Louisiana Extension Service. Adverse weather conditions were responsible for poor quality and decreased yields, and low prices added to the problems of shippers.

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#### CALIFORNIA STUDIES QUALITY OF BARLEY CROP.

A special study of the quality of the 1932 crop of barley in California is being made by California Department of Agriculture in cooperation with California Extension Service and the United States Department of Agriculture. Forty samples representing 150,000 sacks of barley produced in Stanislaus, Yolo and Colusa counties were tested up to July 6. The project is reported to be a continuance of a special study of the English market which was made in 1931 by the United States Department of Agriculture. The tests to date show that growers injure the barley by careless threshing.

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#### NEW MEXICO SAYS LIVESTOCK FEEDING IS INCREASING.

The past year has brought a great increase in feeding of cattle and sheep in the areas of New Mexico where feed crops are grown in abundance, says New Mexico Extension Service, which adds that "the increased experience of livestock feeders, together with the steady markets or advance in prices, should bring stability to the feeding industry."



IOWA POULTRY INCOME  
INCREASED IN JUNE.

It appears that Iowa poultry keepers last month actually received about twice as much from their flocks as it cost for feed and other items, says Iowa State College. Records kept by 53 poultrymen scattered over the state in calendar record work showed that it cost an average of 11 cents to feed each hen during June and that the return per hen (from all sources including poultry sold) was about 23 cents. The greatly increased income was the result of selling a large number of young birds on the market, Egg yield was about  $2\frac{1}{2}$  per bird less, on the average, than during May, and egg prices did not improve greatly.

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LICENSING FEATURE INVOKED  
IN PERISHABLES CASE.

The first case in which court action has been taken for failure to secure a license under the Perishable Agricultural Commodities Act has been announced by the Bureau of Agricultural Economics, which adds that a number of similar violations are under consideration.

The case was that of Abe Peterman of Newark, N. J., who admitted violation of the P.A.C. Act in handling fresh fruits in interstate commerce without a license. He paid a penalty of \$100 imposed by the Court. The suit against Peterman was based on his receipt in Newark, in interstate commerce, of 38 carloads of apples and grapes from points in the States of Pennsylvania, New York, Maryland and California during the months of October and November, 1931. Peterman's attention had been called repeatedly to the licensing requirement of the Act, but he had refused to apply for license.

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NEW JERSEY ROADSIDE  
MARKETS ARE ACCREDITED.

At least one hundred growers in six New Jersey counties - Atlantic, Bergen, Essex, Gloucester, Morris, and Sussex - are operating roadside markets according to the official regulations that stamp them as "approved" by special inspection committees, according to Dr. W. G. Meal, New Jersey Experiment Station.

"Roadside market committees," Dr. Meal explains, "are appointed in these counties by the County Boards of Agriculture for the purpose of giving the roadside stands displaying official approval signs unannounced inspection at various times throughout the season. In order to receive official approval the grower must offer only fresh produce, at least 50 per cent of which has been raised on his own farm and the remainder purchased directly from a nearby farm. All products on sale must be clean, and honestly graded so that the top of the package gives a true representation of the entire contents. If the grower conforms to these regulations, and practices only fair business dealings, he may rent from his county roadside marketing committee one of the signs that stamps his market as inspected and accredited by the committee. This inspection includes the farm and the crops or livestock produced, as well as the market itself, and the committee holds the right to revoke permission to display the 'approved' sign at any farm which, upon unannounced inspection, is found violating the stipulated rules."

CLEVELAND BROKER NOT  
GUILTY OF FALSE STATEMENTS.

The Secretary of Agriculture has discussed the complaint brought by the Georgia Bureau of Markets against K. B. Pocock, of Cleveland, under the Perishable Agricultural Commodities Act.

The case involved four cars of peaches, shipped by the Georgia State Bureau of Markets to Pocock at Cleveland, for sale on account. The Bureau of Markets claimed that Pocock assured there was a good market in Cleveland for peaches; that he would handle the fruit personally, and that, because of Pocock's representations as to prices in Cleveland, the cars were diverted from Cincinnati to that market, where they were sold at prices much less than those which the Bureau of Markets had been led to believe they would receive. It was charged that statements made by Pocock were false and misleading, within the meaning of the Perishable Agricultural Commodities Act. The Secretary held that the evidence presented failed to show that the statements made by Pocock, either orally or by wire, were in violation of the Act.

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COLUMBUS DEALER JUSTIFIED  
IN REJECTING POTATOES.

The Secretary of Agriculture has dismissed the complaint brought by Phillips & Company, Inc., of Norfolk, Va., against Wm. Fisher & Sons Co., of Columbus, Ohio, under the Perishable Agricultural Commodities Act.

Phillips sold Fisher a car of U.S. No. 1 potatoes on a delivered basis. The car was inspected at shipping point in North Carolina and certified as U. S. No. 1 grade. Upon arrival in Columbus, it was inspected for condition and found to have an average of about 2% decay, consisting of Fusarium Tuber Rot, wet type, generally well advanced. In view of the fact that not more than 1% of Fusarium Tuber Rot, wet type, is permitted in potatoes of U. S. No. 1 grade, the Secretary held that at the time of delivery the car failed to make U.S. No. 1 grade and, therefore, was not good delivery under the contract, and that the respondent was entitled to reject it.

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REJECTION HELD WITHOUT  
CAUSE IN PERISHABLES CASE.

George Janssen & Co., of Quincy, Ill., has been ordered by the Secretary of Agriculture to pay \$78 ,with interest at 6% from February 10, 1931, to Gregg Maxcy, Inc., of Sebring, Fla., as the result of a hearing held under the Perishable Agricultural Commodities Act.

Maxcy sold Janssen a car of citrus fruit, to contain 300 field boxes of bulk oranges, grove run, and 60 field boxes of bulk grapefruit, grove run, f.o.b. Hicoria, Fla., for shipment to East St. Louis, Ill. Upon arrival of the car at East St. Louis, it remained there four days and was then delivered by Janssen to Alton, Ill., at which place it was rejected for the alleged reason that the fruit had decayed. Consideration of the evidence presented by both sides led the Secretary to decide that Maxcy had tendered oranges and grapefruit in substantial conformity to contract obligations, and that rejection was without reasonable cause. The \$78, which Janssen was ordered to pay, represents the difference between the original contract price and the resale price of the car after rejection.



# MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

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Vol. 12, No. 30

### FEW DRASTIC REDUCTIONS IN STATE MARKETING PROGRAMS.

#### Survey Reveals Additional Evidence That States are "Carrying-On" Despite Reduced Appropriations.

State bureaus of markets and State colleges of agriculture are "carrying-on" with marketing service and economic research despite appropriation curtailments that in some instances range up to 45 per cent of last year's funds, as shown in additional replies to our inquiry with regard to current work programs.

Colorado: "Our budget for research purposes has been reduced somewhat for the coming year. However, we are planning to proceed with approximately the same amount of work as we carried last year. We are dividing a portion of the funds allotted to marketing activities and we hope to be able to follow up our former work in the study of farmers' co-operative elevators and in addition assemble some material with respect to the cooperative feeding of lambs in northern Colorado." - L. A. Moorhouse, Department of Economics and Sociology, Colorado Agricultural College.

Connecticut: "No reduction in our research and extension program with regard to fruit and vegetables is contemplated. I understand that the college will be required to cut its budget the coming year by about 20 per cent, but I do not believe that this cut will affect our work in fruit and vegetable marketing. However, this is too early to say definitely.

"Some of our activities have consisted in promoting and helping the establishment of a farmers' strawberry auction market in New Haven. It was conducted successfully this year and we intend to follow up this project another year with the idea that the same plan can be extended to peaches and other fruits and vegetables. We have assisted with advice and encouragement the formation of local concentration points in rural districts for selling fruit and vegetables to truckers. This was done with considerable success this year by the strawberry growers of Bolton Center in a region about fifteen miles from Hartford. The peach growers of two sections of the town of Glastonbury are starting something similar.

"Cooperating with the State bureau of markets, we have assisted in the formation of a roadside marketing association intended to help distinguish between roadside stands which are operated by farmers and stands that are not truly farmers' stands. We are also carrying on a program to improve the practices of farm owned roadside stands. Part of our research program in marketing consists in analyzing returns from the New Haven Strawberry Auction in order to determine the effect of the size of load



and regularity of appearance on the market, upon the price received by growers. We plan, another year, to make a study of quality in relation to price on the auction market." - G. B. Clarke, assistant economist, Connecticut Agricultural College.

Louisiana: "Last year we had four full time research men working on projects in the fields of farm management, agricultural economics, and rural sociology. For the coming year we will retain the four men, but two of them will be used in the University proper as part time teachers for one semester. Due to the relatively short time that our research department has been in existence, we have been forced, in a measure, to give attention to projects that have a more immediate bearing upon current conditions. There will be no changes in this policy during the coming year. Our budget will be maintained for the year 1932-33 and few or no changes will be made in following out our program of research." - R. L. Thompson, Department of Research in Farm Economics, Louisiana State University.

Maine: "We have been obliged to reduce somewhat our market news reporting work, notably our cooperation with the other New England States in maintaining a radio market news service at Boston; also to reduce somewhat the length of time which the Federal market news service is maintained at Presque Isle. In the matter of a weekly market review of grains and feeds as well as farm products in the Boston market which particularly interests Maine farmers, we have added the prices paid by retailers and jobbers to farmers in four of our principal Maine cities. This present season the New England Farm Marketing Program has shown a new development by the use of an official roadside stand sign." - C. M. White, Division of Markets, Maine Department of Agriculture.

Mississippi: "During our last legislative session, appropriations for experiment station work were reduced about 45 per cent, while recent press reports inform us that former Director J. R. Ricks is to succeed Director W. R. Perkins, the latter to remain as assistant director. Director Perkins had prepared a budget which carried a reduction of 15 per cent in my annual allotment, but I presume that when Director Ricks takes charge, some adjustments will be made. At present, we are continuing the projects which we have and hope for more settled conditions in the near future." - Lewis E. Long, research economist, Mississippi State College.

Missouri: "Research funds for the department of agricultural economics, including marketing, have been cut approximately 35 per cent for the year 1932-33 as compared with 1931-32. This includes the loss of one man whose full time was devoted to marketing research, leaving only one man with approximately half time devoted to this work. The number of projects dealing with marketing and prices has been reduced from 5 to 4, and emphasis will be placed on two of these, dealing with livestock marketing and prices. One publication, Missouri Research Bulletin 165, was recently issued, entitled, 'Costs of Marketing Livestock by Truck and Rail'. The remaining two projects in this field deal with cotton prices and the buying of eggs on a graded basis. It is the intention as projects are completed to reduce their number to conform with the reduction in man power and funds. The present marketing and price projects all deal with problems of current importance and interest to farmers and marketing agencies, and it is probable that this



policy will be continued through the duration of present financial conditions." - F. L. Thomson, Department of Agricultural Economics, University of Missouri.

Missouri: "The cooperative research project being conducted by the Federal Bureau of Agricultural Economics and this department has been discontinued after completion of one and one-half years' work on a three-year program. The appointment of Mr. Elgin McLean, who was in charge of the field work, has had to be cancelled because of economic conditions in the Bureau of Agricultural Economics. This department is undertaking to salvage all it can of the second year's study. The first year's study was completed this last January. We finished the year with complete records on 138 Atchison County farms. Complete analysis of the data secured has not been completed.

"The department is also working on a project entitled 'Some Economic Aspects of the Farm Poultry Enterprise'. This involves a combination of farm cost account records, farm demonstration flock records and farm management survey records covering the poultry enterprise. The remaining field work on this project will be completed during August and September. A graduate student in this department, Mr. Howard E. Golden, is doing the field work and making many of the analyses.

"Final analyses on the farm improvement studies will be completed this winter. No additional projects will be undertaken at present." - O. R. Johnson, Department of Agricultural Economics, University of Missouri.

New Hampshire: "We have just started a new project in Land Utilization. Families overwhelmed by the depression are taking up abandoned homes in back places. This may mean a difficult situation in certain of our poorer towns in roads, schools and poor relief. The research projects in this department are: fruit farm studies, potato marketing studies, efficiency studies in dairy farming, a study of practices and factors affecting marketing costs and the quality of milk produced, a study of the quality of milk delivered and cost of retail marketing in Laconia, a study of land utilization in Grafton County, spray management studies." - H. C. Woodworth, agricultural economist, University of New Hampshire.

New Jersey: "For the present we are continuing the mailing of market news information to those who request it as we have in the past. We do not know how long this can be continued, but for the time being the service is being maintained practically on a normal basis." - W. B. Duryee, Secretary, New Jersey Department of Agriculture.

"This office has been quite fortunate in being able to carry on the main lines of work which it has developed in the past." - W. W. Oley, New Jersey Bureau of Markets.

New Mexico: "We have a number of agricultural economics research projects in the experiment station. This year our work has not been reduced in any way. We are trying to get another project approved in place of one of the projects that is now completed." - Fabian Garcia, New Mexico Experiment Station.

Oregon: "Our activities along the marketing line is in the standardization of grades and containers, and shipping point inspection of fruits and vegetables. During the last season, we established grades for 22 fruits



and vegetables in addition to the 10 grades for products already standardized. Our shipping point inspection activities now include fresh fruits, dried fruits, 'cold pack' fruits and turkeys. This service, with the exception of potatoes, is given on a request from the shipper or producer, and not compulsory. We now certify as to grade and condition in the neighborhood of 80 per cent of all shipments of fruits and vegetables made from this State." - Chas. A. Cole, Division of Plant Industry, Oregon Department of Agriculture.

Rhode Island: "There is no change this year in our economic research activities." - R. B. Corbett, economist, Rhode Island State College.

Virginia: "In spite of the fact that the extension work in this State will be suffering from the reduced budget during the next fiscal year, I do not think that any changes will be made in our marketing work." - H. N. Young, Department of Agricultural Economics and Rural Sociology, Virginia Polytechnic Institute.

Wyoming: "We have nothing to report as to changes made this fiscal year in the marketing activities of Wyoming." - L. T. Oldroyd, Commissioner, Wyoming Department of Agriculture.

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#### REPARATION AWARDED

##### PENNSYLVANIA ASSOCIATION.

The Secretary of Agriculture has ordered the Harlem Produce Exchange of New York City to pay \$563.42 with interest to the Keystone Cooperative Grape Association of North East, Penna., following a hearing under the Perishable Agricultural Commodities Act.

The Keystone Cooperative Grape Association sold the Harlem Produce Exchange three cars of grapes. Upon arrival, the latter accepted the cars but refused to pay the drafts and, as the bills of lading were attached, the cars remained on the tracks for several days. The shipper eventually was forced to turn the cars over to the broker for resale, the cars bringing considerably less than the original purchase price. The shipper filed a complaint requesting that damages be awarded in the sum of \$363.42. The Secretary found, however, that the net amount received on resale was less than that shown in the complaint, and that the actual damages sustained amounted to \$563.42. Reparation award was issued in that amount, plus interest at 6 per cent from November 1, 1931.

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#### STATUS OF EXCESS WOOL

##### PROFITS COLLECTIONS.

The number of pending "excess wool profits" cases has been reduced during the past fiscal year from 23 to 14, and the outstanding amount to be collected is about \$197,701, reports the Bureau of Agricultural Economics. A reaudit of a wool dealer's records in Chicago was made during May and June, and this case is to be argued before an Assistant to the Attorney General early this month preliminary to filing the case for trial in the Federal Court. Another case, tried last November in Indianapolis, is awaiting argument before the Circuit Court of Appeals, as a step toward reaching the Supreme Court.



WE HAVE BEEN TOLD THAT

MASSACHUSETTS' first egg auction opened Monday, August 1, in Brockton. More than 75 egg producers in southeastern Massachusetts are members of the association which has been organized to form the auction, Massachusetts State College and Massachusetts Department of Agriculture assisting.

SHIFTING of loads, either as a result of faulty loading or rough handling of cars, has been found in a study by Illinois College of Agriculture to be the chief immediate cause of damage to shipments of fruit, vegetables, and other perishables.

NEARLY 7,400,000 labels or tags under the New England Quality Label System have been sold to date to 1,532 users. The designations cover apples, asparagus, baby chicks, celery, eggs, honey, jelly, lettuce, maple products, potatoes, strawberries, tomatoes, and turkeys. Approximately 1,600,000 labelled wrappers and containers have been sold to 91 users.

MANY IOWA FARMERS will be forced to feed on contract during the coming season, but Iowa State College says the average farmer who can secure financing for his feeding operations probably will find it best to buy cattle outright.

A NEW RECORD has been established by the seed laboratory of New York Experiment Station in having tested 8,209 samples of seeds sent in by 590 individuals, firms, or institutions during the planting season just closed.

A STUDY of 34 Knox County (Tennessee) farms, recently completed by Tennessee Extension Service, reveals that the high income farm of the group made \$6,000 more than the low income farm in 1931. Eleven of the 34 farms made plus labor incomes, and 23 farms failed to pay expenses and interest charges.

THE PENNSYLVANIA State quarantine on account of the European corn borer was revoked on July 30 by the Pennsylvania Department of Agriculture.

THE MID-YEAR AGRICULTURAL OUTLOOK issued by Illinois College of Agriculture lists four optimistic features in the farm situation. They are: A slight recovery in the price level, which has been under way for nearly a month; the end of the decline in gold stocks; the approximate balance established in the national budget, and the possibility of some increase in construction work from the self-liquidating project section of the new relief bill. Less favorable signs listed by the college are: The continued contraction in many types of basic industry; the low purchasing power of large groups of people; the resistance of many elements in the price structure to making the readjustments necessary to permit trade to take place; the high rates which have to be paid for long-term capital, and the large volume of debt adjustments which the lower price level makes necessary.

AN ADVANCE of five points was registered in the index of the general level of prices of farm prices from June 15 to July 15, as compiled by the Bureau of Agricultural Economics. The index notes a sharp upturn in prices of hogs, cattle, eggs, and cotton, and minor advances in five other farm commodities during the month under review.



INCREASED PRODUCTION of dairy products this fall and winter is expected by the Bureau of Agricultural Economics, as a result of relatively large numbers of cows on farms, low prices of feed grains in relation to dairy products, increased fall freshening, and prospective increases in feed supplies.

THERE HAS BEEN a sustained upswing in the consumer demand for Government graded and stamped beef. The quantity of beef officially graded and stamped for quality, under the system set up by the Bureau of Agricultural Economics, aggregated 183,784,399 pounds during the fiscal year ended June 30, 1932, compared with 103,518,300 pounds the preceding year. The popularity of Government graded and stamped beef is attributed to a growing appreciation by consumers of a reliable designation of quality in food products.

PROSPECTS for a larger poultry crop for market this fall and winter are seen by the Bureau of Agricultural Economics in view of a 7.5 per cent increase in the number of chickens being raised on farms. Egg production is expected not to exceed the high totals of last year unless there should be another mild winter, - this, despite a prospective increase of 4 to 5 per cent in the number of layers in farm flocks.

BETTER FARM MORTGAGE TERMS have been reported by mortgage bankers to the Bureau of Agricultural Economics, in that there is an increase in the proportion of farm mortgage loans made with some provision for payment on the principal during the life of the loans, and there is an increasing tendency to write loans for longer terms.

IMPROVEMENT in some of the livestock markets which show "greater firmness than has been noticeable for some months," has been reported by the Bureau of Agricultural Economics. The bureau says that world wheat acreage may average during the next few years at about present levels, but consumption may be expected to increase, especially when there is improvement in world economic conditions, and eventually to result in a depletion of the stocks which are now so burdensome.

A DOWNWARD TREND in sheep and wool production in western sheep States the next few years is expected by the Bureau of Agricultural Economics. Major factors in the indicated decline in production are a decrease of 8 per cent in the lamb crop this year, and a closer marketing of lambs with the consequent effect on breeding stock.

A SERIES OF MIMEOGRAPHED REPORTS has been issued by New Mexico College of Agriculture, entitled "Labor Requirements and Costs of Producing Sweet Potatoes, Tomatoes, and Peanuts in the Portales Irrigated Area in 1931"; "Labor Requirements and Costs of Producing Sweet Potatoes and Apples in the Fort Sumner Irrigated Area"; "Cost of Producing Tomatoes in the Hatch Valley in 1931"; "Labor Requirements and Costs of Producing Potatoes in the Virden Valley in 1931"; and "Labor Requirements and Costs of Producing Potatoes and Tomatoes in the Deming Area."

MARKETING ACTIVITIES of North Dakota Agricultural College are described in Circular 113, recently issued by that College.



# MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

August 10, 1932

Vol. 12, No. 32.

### ARKANSAS PLANS NO CHANGE IN MARKETING PROGRAM.

"No particular changes are contemplated in our extension marketing program or changes in the economics or marketing personnel during the coming year," reports E. H. Reed, extension economist, Arkansas Extension Service.

Discussing current work, Mr. Reed says: "We are attempting to improve the services rendered by cooperative associations at the present time. Plans are under way for the federation of some of the small fruit and truck growers' associations in South central Arkansas. A survey has been made in this territory and plans worked out for the federation of these organizations, so that more effective marketing work can be carried on.

"We are also trying to strengthen the fruit and vegetable marketing associations in other sections of the State. A number of livestock shipping associations have been organized during the past year and many of the old livestock shipping associations greatly strengthened.

"We are now organizing two dairy marketing associations in the State for handling sour cream, and as soon as these organizations are completed we intend to carry the same work to other sections of the State.

"Our monthly outlook publication is being published each month and sent to about 3,500 farmers in the State. This publication contains timely outlook and marketing information."

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### FOREST TREES DISTRIBUTED FOR FARM PLANTING

More than a hundred million trees were distributed by State forestry departments for forest planting last year, says the U. S. Department of Agriculture, on the basis of reports compiled by the Forest Service. These trees were grown in State nurseries, and no privately grown trees are included in the figure.

Of the total number of trees distributed, 25,510,052 were sent out for farm planting, 38 States and two territories cooperating with the Forest Service in this activity. In addition, 52,507,690 trees were planted on State lands, and 24,839,109 were distributed for planting on private forest lands other than farms. Plantings of all three classes gained nearly 30 per cent over 1930 when the total distribution was 79,319,000 trees.

Under the Clarke-McNary law, the Federal Government cooperates with the States in the production of trees for farm forest and woodland planting. The trees are distributed through State forest agencies directly to the farmers, usually at cost. The Federal Government does not distribute planting stock for State or private lands.

U. S. Dept. of Agriculture  
Attn. Miss Trolinger,  
Washington, D. C.



## CROPS AND MARKETS

In the monthly review, dated August 1, of "The Agricultural Situation", it is indicated that crops have made reasonably good progress so far this season; that although the winter wheat crop is short and the fruit prospect is smaller than last year, there is promise of a good supply of the important food, feed, and fiber crops. The crop picture varies in local areas as the result of recent weather conditions. Continuing, the report states:

"Corn and late-sown spring wheat in portions of the West have suffered from the heat waves and some bad weather effects are reported from the eastern Cotton Belt. The general hay crop is better than last year and better than it was expected to be six weeks ago but it is scarcely up to average. Alfalfa, however, is a good crop.

"Wheat harvest is now going forward in the North. Most of the early-sown spring wheat which has so far been threshed has turned out good yields and grain of high quality. Various late-sown wheat, however, has sustained some damage from hot winds, so that a portion of the crop is still an unknown quantity. The crop in Canada is reported to be in favorable condition and to promise a materially larger production than last year. The shortage in our hard winter wheat crops is having some effect in maintaining substantial protein premiums in the mid-country markets.

"The index of the general level of farm prices advanced 5 points from June 15 to July 15 as a result of the increased prices of hogs, cattle, eggs, cotton, and some minor crops. Grains did not advance in that period. This is the greatest gain recorded in the index in one month since July, 1929."

The rise in hog prices is regarded as the most notable market development. Preliminary reports upon wool shorn this spring shows a decline of 7.3%, with the lamb crop about 8% smaller. In general, a decline in the production of animals is noted. Stocks and surpluses are being reduced and the markets show a greater firmness than for some time.

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## CORNELL EXPERIMENTS WITH LOW-COST DIET

Faculty and students of the New York state college of home economics at Cornell University, according to an announcement of that institution, not only practice what they preach but practice before they preach. This week they are eating the low-cost breakfasts, dinners, and suppers which, if found satisfactory, they offer, in menu form, to the temporary emergency relief associations of New York State, the Ithaca welfare organizations, and other groups throughout the State with emergency situations. During the coming year, the College plans to work directly with mothers by helping them to adjust the menus they themselves have made on a low-cost budget to meet the needs of their individual families.

The menus are made from the list of foods which the temporary emergency relief association suggests for one week for a family of five on a food allowance of 17 cents a person a day.

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OHIO FIRM FOUND GUILTY  
OF INCORRECT ACCOUNTING.

Mack Altschul and Ben Altschul of Lima, Ohio, doing business as Altschul Bros. Co. have been found guilty of a violation of the Perishable Agricultural Commodities Act in that they rendered an incorrect statement of gross receipts for a car of cabbage and failed to account for approximately one-third of the cabbage in the shipment.

The car in question was shipped to Altschul Bros. by the United Produce Company of Louisville, Ky., to be sold for the account of the shipper. Altschul Bros. rendered an account sales, showing gross receipts of \$192.80 and net proceeds of \$20.35. An investigation made by an employee of the Department of Agriculture disclosed that the sales slips in files of Altschul Bros. showed gross sales amounting to \$225.82 and that these sales slips failed to account, after a proper allowance for shrinkage, for 6,359 pounds of cabbage. After this investigation, the United Produce Company offered to accept settlement from Altschul Bros. by the prompt payment of \$100, which amount was afterwards paid. Complaint was then filed against Altschul Bros. by H. A. Spilman on behalf of the Department of Agriculture, alleging a violation of Section 2, Paragraph 4, of the Perishable Agricultural Commodities Act. They were found guilty and the facts were ordered to be published.

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COMPLAINANT FAILS TO PROVE  
BREACH OF CONTRACT.

A complaint brought under the Perishable Agricultural Commodities Act by Peter Fox Sons Co., Inc. of Chicago against the L. G. Feed Co., Inc., of Galesburg, Ill., has been dismissed by the Secretary of Agriculture who held that the complainant had failed to show by a fair preponderance of evidence that there was a breach of contract on the part of the respondent.

The case involved a car of potatoes sold to respondent at a delivered price. Respondent rejected the potatoes on the ground that he had specified the potatoes must be free from all field frost, and that the potatoes did show frost injury. Government inspection at destination showed that freezing injury was scattered throughout the sacks and so located as to indicate that it did not occur in transit.

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BROKERAGE FIRM PLEADS  
GUILTY UNDER AGENCY ACT.

Guy W. Glass Brokerage Co. of Memphis, Tenn., on November 10 last, plead guilty to violation of the Produce Agency Act and was fined \$1 by the District Court. The Department of Agriculture has been informed by the Department of Justice. The case involved three cars of watermelons handled for the account of B. D. Anguish of Chicago, in August 1929. Investigations disclosed that the defendant withheld \$30 from the net proceeds remitted to the shipper and also represented to the latter that no brokerage was being charged, whereas \$25 per car had been deducted and shared by the defendant with another commission merchant. The brokerage company thereby failed to make a correct accounting and also made a false statement concerning the charging of brokerage, in violation of the Act.



INCORRECT SALES MEMORANDUM  
MAKES CONTRACT UNENFORCEABLE.

Holding that the Greenberg Brokerage Company of Scranton, Penna. had made false and misleading statements in a transaction with R. W. Burch, Inc., of Plant City, Fla., as to constitute a violation of the Perishable Agricultural Commodities Act, the Secretary of Agriculture has issued a reparation order in the amount of \$215.25 with interest.

I. H. Greenberg, doing business as the Greenberg Brokerage Company, acted as broker in a transaction between Burch and the Union Grocery Company at Scranton for the sale of a carload of oranges and grapefruit. Burch charged that Greenberg had made statements which led him to believe that a valid and binding contract had been entered into with the Union Grocery Company. Upon arrival of the car, the Union Grocery Company rejected it on the ground that it did not conform to the specifications they had given the broker. The car was resold for a net of \$342.75, which was \$215.25 less than the original contract price. Burch filed a complaint under the Perishables Act and after a hearing the Secretary decided that while Burch had furnished oranges and grapefruit conforming to the memorandum of sale issued by Greenberg, that memorandum did not conform to the instructions issued by the Union Grocery Company and hence was not binding. Burch thereupon filed complaint against the Greenberg Brokerage Company for having made a false and misleading statement for a fraudulent purpose.

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IDAHO APPLES HELD REJECTED  
WITHOUT REASONABLE CAUSE.

M. P. Pecarovich of Los Angeles, Calif., has been ordered by the Secretary of Agriculture to pay Chaney & Rowell, Inc., of Nampa, Idaho, the sum of \$169.50 as the result of a hearing under the Perishable Agricultural Commodities Act.

On or about December 24, 1931, Chaney & Rowell sold to Pecarovich a car of Janathan apples, containing 660 bushel baskets at a price of \$1.05 per bushel delivered. On arrival the car was rejected by Pecarovich and was resold at a loss of 15 cents per basket. Chaney & Rowell filed claim for reparation for the amount of this loss and for sundry items, such as extra ice, demurrage, brokerage charge, and cost of telegrams, amounting in all to \$204.29. The Secretary held that the various items included in the damages was proper, with the exception of \$34.79, - the cost of telegrams and telephone messages, - which was disallowed.

Pecarovich signed the formal agreement used by the broker in this case, which contained the specifications "usual terms". This was understood by the parties to mean that payment was to be made on Saturday of the week following delivery of the produce. On the invoice for the car, the seller had, under the terms of sale, the word "cash", and Pecarovich based his rejection on the ground that he had bought the apples on "usual terms", whereas the invoice stated "cash". However, this contention was not made until the car had been on track four days and the broker then informed Pecarovich that it was not a cash transaction. The latter, however, still refused to accept the apples and the Secretary held his rejection to have been without reasonable cause.

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WIDE VARIATION IN  
TRACTOR EXPENSE

"In Illinois which has more tractors on farms than any other state the total costs of tractor operation in 1931 were \$243 for two-plow standard tractors, \$305 for three-plow standard tractors and \$287 for two-plow general-purpose tractors, according to figures announced by P. E. Johnston, of the farm organization and management department, College of Agriculture, University of Illinois. The cost figures were collected from central Illinois farms. The most recent census reports show 69,628 tractors on Illinois farms.

"The average hourly cost of operation was 63 cents, 76 cents and 56 cents, respectively, for the three different kinds of tractors.

"Although the average cost for general-purpose tractors was 56 cents an hour, there was a wide variation from farm to farm. Nineteen out of 65 tractors were operated at a cost of less than 50 cents an hour, while seven tractors were operated at a cost of more than 70 cents an hour."

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COPIES OF RADIO TALKS  
NOW AVAILABLE

The following recent talks over the radio by members of the Bureau of Agricultural Economics have been prepared in mimeographed form and are now available for distribution:

"The Mid-Summer Poultry and Egg Outlook" by Roy C. Potts.

"July Grain Markets" by W. A. Wheeler.

"Land Use - a National Problem," - a conversation among  
Nils A. Olsen, L. C. Gray, and R. E. Marsh of the  
U. S. Department of Agriculture, and John D. Black  
of the Federal Farm Board.

"The Dairy Outlook, July 1932" by C. L. Holmes.

"The Agricultural Situation, August 1" by J. Clyde Marquis.

"The Diminishing Birth Rate and its Agricultural Significance"  
by O. E. Baker.

"Sheep and Wool Outlook" by C. V. Whalin.

"Farm News from Foreign Lands" by L. A. Wheeler.

Additional mimeographed copies of recent publications of the Bureau include:

"U. S. Standards for Fresh Tomatoes".

"U. S. Standards for Cauliflower"...

"U. S. Standards for Farmers' Stock Virginia Type Peanuts".

"Farm Loans of Life Insurance Companies" - a preliminary  
report by David L. Wickens.

"State Agricultural and Marketing Officers" - as compiled  
in the Division of Economic Information, July 1932.

"Tentative Estimates of Gross Income from Farm Production, Current  
Value of Agricultural Capital, and Selected Expenditures, 1909-31."

"Marketing Western and Central New York Cabbage, 1931-32 Season."

"Marketing Washington Lettuce, 1931 Season."

"List of Manufacturers and Jobbers of Fruit and Vegetable Containers."

## PROVISIONS OF CONTRACT FOR SALE OF FRUIT MUST BE OBSERVED

Winchell v. Pacific Fruit &amp; Produce Co.

Supreme Court of Oregon, May 31, 1932. (11 Pac. 815)

The plaintiff, a fruit grower of Hood River County, entered into a contract with the defendant, a Washington corporation engaged in buying and selling fruit as a factor and broker. Under the contract the defendant was to make advances to plaintiff in caring for and getting his fruit ready for market. Repayment of these advances at 8 per cent interest was to be made. As further security for such advances, the plaintiff executed a chattel mortgage in favor of defendant covering all fruit to be grown by him during the season. The contract gave defendant the sole agency for the sale of the fruit. The grower agreed to pay the company 10 cents per box for marketing services. The grower assumed personal liability for any deficiency in connection with the repayment to the company. The sums due the company were to be payable upon the harvesting of the fruit. The company further agreed that when the goods were ready for shipment it would make a cash offer to purchase them, the acceptance to be optional with the grower but no sale of goods was to be consummated except through the company as the grower's agent. The contract further provided that if the grower should find a purchaser the company should be put into communication with such purchaser and that it should consummate the sale of the fruit on behalf of the grower.

In the trial of the case the plaintiff alleged that he found a buyer for the fruit (Duckwall Brothers) who agreed to buy at a price which would return the plaintiff \$15,884.03 net. Accordingly, he advised the company of the offer made for the fruit and requested it to carry out the sale. However, the company failed to do so and some time thereafter made returns to the grower of \$12,881.79. The plaintiff brings action for the difference between the amounts mentioned, namely, \$2,952.24 as damages.

In the trial court the full amount was awarded to the grower, from which award the company has appealed.

It appears, as was brought out by the court here, that the manager of the company was informed of the Duckwall offer but that he expected more money for the fruit; that he had come to the conclusion that a better price could be procured and therefore overruled the desire of the grower to sell at the offer made and made no effort to consummate the sale; in other words, he refused to O.K. the expressed desire of the grower under the terms of the contract and was willing to gamble on the grower's crop even if the grower was not.

The court further stated "Plaintiff was entitled to have defendant carry out its contract. When he produced and brought into communication with the defendant a buyer at a price satisfactory to him it was the duty of the defendant under paragraph 18 of the contract to consummate the sale. \* \* \* The plaintiff is not attempting to rescind the contract but is affirming it and asking damages by reason of its breach. Finding no error, the judgement will be affirmed."



# MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

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★ AUG 2 - 1932 ★

August 17, 1932

Vol. 12, No. 33.

### BEVERLY, N. J. AUCTION MART ACTIVE

The auction market at Beverly, New Jersey, operated by the Beverly Cooperative Growers' Association, at which more than 350 farmers have this season been selling corn, beans, apples, peaches, cantaloupes, and other fruits and vegetables at the rate of from 2,500 to 3,000 packages a day, bids fair to become "one of the leading auction markets of the East", in the opinion of R. E. Underwood, assistant Burlington County Agricultural Agent.

Established in 1930 as a new activity of the Cooperative Growers' Association, the auction block sales that year amounted to \$169,911. Last year, although the 271,574 packages sold by auction represented a large increase over the previous season, cash returns were lower because farm prices generally declined. Total sales in 1931 were \$160,213.

The membership of the Association has increased considerably this year. It is reported that an increasing number of farmers are utilizing the auction market because the buyers attracted to it, recognizing both the high quality and honest grading of the products offered for sale, are willing to pay prices that compare favorably with those of the New York market. Following the hiring of a Federal-State inspector on the market this season, commission men report that shipments are better graded and packed than formerly.

The Burlington County and State Extension Service of the Agricultural Experiment Station at New Brunswick, and the State Department of Agriculture at Trenton, are both cooperating with officers of the Beverly Cooperative Growers' Association in developing their auction market.

### NEW JERSEY KEEPS "INFERIOR" MILK OUT OF STATE.

Operation of the 1932 New Jersey milk legislation has been successful in keeping inferior milk from being shipped into the State and has substantiated the claim of nearby dairymen that they were being discriminated against while distant producers, subject to no regulation, were shipping undesirable products into the State, says William B. Duryee, New Jersey Secretary of Agriculture. Under the legislation, only milk and cream intended for fluid consumption must be inspected at the source of production; dairy products to be used for manufacturing purposes including ice cream, butter, cheese and similar products need only proper certification of the governing body concerned in the State of origin.



### SAN FRANCISCO MILK TRADE BOARD RELIEVES MILK SITUATION

According to an announcement of the California State Department of Agriculture, the striking manner in which the organization of the San Francisco Milk Trade Board brought order out of chaos in the milk situation there and saved nearly \$450,000 for the producers in the first months of 1932 despite unfavorable economic conditions, is brought out in a report by W. J. Kuhrt, milk marketing specialist of the State Division of Markets, to Dr. Theodore Macklin, chief of the Division.

The Board was formed through negotiations between the producers and distributors and the Division of Markets, which were entered into after a series of "milk wars" threatened the disruption of the industry. The state of California is continuing its participation through the status of Dr. Macklin as a member of the Board.

The formation of the state-producer-distributor Milk Trade Board also accentuated the favorable position that San Francisco enjoys among the cities of the nation in respect to the purity of its milk supply.

"The figures in the Kuhrt report show that since the first of the year an increase of 13 cents a pound in the price of butterfat has been maintained by the trade in San Francisco, with an increase of but two cents a quart of milk to the consumer. At the beginning of 1932 the butterfat basis was 50 cents a pound in a number of instances. The establishment of the board resulted in a general stabilization at 63 cents, and a decided improvement in conditions generally.

"The report shows that in the first seven months of 1932 there were 10,224,000 gallons of milk, containing 3,341,188 pounds of butterfat, sold in the city. The 13 cent differential between the 50 cent and 63 cent butterfat price, achieved by the formation of the Milk Trade Board, when applied to the total butterfat poundage noted, resulted in the saving of \$434,354."

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### FEWER HOGS IN WORLD U. S. REPORT SHOWS

Hog numbers are decreasing in all important European producing countries according to the report on world hog prospects just issued by the Bureau of Agricultural Economics. June estimates for Germany, Denmark and Netherlands indicate that the total number of hogs in these countries was 10 per cent less than for June last year. In view of the decreasing numbers, market supplies during the coming year probably will be smaller than in the current marketing year in all three countries.

Reduced slaughter supplies resulted in higher hog prices in July than in June in both the United States and Europe. Pork prices advanced somewhat in the United States during the month, but prices on British markets were lower. Domestic and foreign lard prices increased in July. The ratio of hog prices to corn prices in the United States during July was much higher than in other recent months.

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WHY MANY CASES UNDER THE PERISHABLE  
AGRICULTURAL COMMODITIES ACT ARE DISMISSED

Many cases arise under the Perishable Agricultural Commodities Act in which proceedings are dismissed and no order of publication is issued. Mr. Wells A. Sherman, in Charge of the Fruit and Vegetable Division of the Bureau of Agricultural Economics, has reviewed briefly the reasons why this is so. They are given below.

Perhaps the most frequent reason for the dismissal of proceedings is the conclusion that no enforceable contract existed between the parties. Too often goods are bought and sold on indefinite terms. The obvious way of avoiding such disputes and unsatisfactory settlements is to buy and sell on the basis of recognized grades and to adhere to the recognized standard trading rules. But some cases have been dismissed in which there was an enforceable contract and in which a breach of contract by the shipper was proved. In several such cases the receiver had complained of failure to deliver in accordance with the contract and had asked for reparations but had submitted no evidence to prove that he had actually lost any money. If the buyer rejects such a car and does not immediately buy another of the contract grade to replace it, it is extremely difficult for him to prove how much money, if any, he has lost by reason of the failure of the shipper to make good delivery. In a number of such cases the Department has been compelled to hold that although the shipper plainly violated his contract and the complainant was within his right in rejecting the shipment, he appeared to have protected himself in full by such rejection and had, therefore, sustained no loss for which the shipper could be held. It appears that many buyers believe if they can establish the fact that goods delivered or tendered were below the grade called for by the contract they should be able to collect for estimated profit; but an estimate of a profit which might have been made is not a proof of loss and cannot be accepted by the Department of Agriculture as the basis of a reparation order.

If a car is rejected for good cause and the shipper cannot replace it promptly with another, the buyer is at liberty immediately to purchase a car of the required grade in his own market and can charge the shipper with the difference in price, if any. A record showing the purchase price under the contract, the tender of under grade goods and the purchase of a substitute car at a higher price establishes both the fact of the loss and the amount of the loss.

A complaint must also be dismissed if the buyer shows merely that the goods received were below the contract grade, and that he sold them at a given price. In order to recover he must show that this price was less than the market price for goods of the contract quality so that he thereby incurred a loss. Orders of dismissal are not accompanied by orders of publication unless the case justifies disciplinary action. The publication of facts by the Secretary is to be regarded as a part of the punishment of the party adjudged to be at fault.

The failure of buyers to establish a measure of their loss is one of the frequent causes for the dismissal of complaints under the Perishable Agricultural Commodities Act.



BOOKLET TELLS  
ABOUT GENEVA STATION

"Facts about the Geneva Station" is the title of a little pamphlet issued recently by the New York State Experiment Station at Geneva for the convenience of visitors to the Station and for others who are especially interested in the purpose and work of this farm research institution. The booklet which is copiously illustrated, has been made something of a souvenir publication in recognition of the Station's fiftieth anniversary which is being celebrated this year, altho the text itself deals wholly with present-day activities.

"This little pamphlet", says a preliminary statement, "has been prepared to give the visitor to the Station and others interested in the work a brief resume of the chief things that are going on in the several research divisions. It is by no means a complete review of the Station's activities, but it is hoped that it will serve in a small way at least to make farm research a little better understood."

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MINIMUM SIZE OF ONIONS  
WAS MADE BASIS OF COMPLAINT

The Secretary of Agriculture has ordered Samuel Rosenblum, Inc., New York City, to pay \$1,631.23, with interest, to the Blotz Seed & Produce Co., Rocky Ford, Colorado.

Blotz alleged rejection without reasonable cause of 10 cars of Spanish-type onions. Rosenblum's defense was that the onions were not of the size required by the contract. The parties entered into a contract for 10 cars of U. S. No. 1 Spanish onions,  $1\frac{3}{4}$  inches and up, not to exceed 3 inches, at \$1.30 per cwt., f. o. b. Colorado shipping point, to be shipped during the month of September. On account of crop conditions, it was impossible for Blotz to ship all 10 cars during September; so it was mutually agreed that some of the onions could be shipped during October. As a result of this agreement, seven cars were shipped in September and three in October. After arrival in New York City, Rosenblum inspected the onions and rejected them on the ground that they contained onions of less size than  $1\frac{3}{4}$  inches. He offered to accept eight of the cars, but this offer was refused and the cars were disposed of through other channels. Government inspection showed the cars to be U. S. No. 1 Spanish onions,  $1\frac{3}{4}$  inches and up, the proportion of those less than  $1\frac{3}{4}$  inches being within the tolerance. Rosenblum claimed that the contract called for a minimum of  $1\frac{3}{4}$  inches and that none of the onions should have been below that size.

The Secretary held that the parties could have stipulated that none of the onions were be be under  $1\frac{3}{4}$  inches, but that there was nothing in the record to indicate that they intended to make an unusual contract in this respect and that, in the absence of such definitely-indicated intention, it should be assumed that it was their intention to recognize the usual trade practice. He, therefore, held that Blotz furnished onions in conformity with the contract and further that Rosenblum's rejection was without reasonable cause. The reparation granted was for the difference between the contract price and the net proceeds received on resale.

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WHAT CONSTITUTES"BEAUTIFUL" SPINACH?

The Secretary of Agriculture has ordered Barbere Farris, doing business under the name of Farris Brothers, Toledo, Ohio, to pay \$265.75 to J. W. Myers Commission Company, Van Buren, Ark.

The J. W. Myers Commission Company alleged that, through a broker Farris Brothers agreed to buy a car of spinach at 70¢ per bushel delivered and that they shipped a car containing 850 bushels of U. S. No. 1 spinach; that upon arrival the car was rejected by the buyer and afterwards resold at a loss of \$265.75. The evidence showed that Myers offered a car of "beautiful. clean, heavy pack" spinach. No question was raised as to the spinach shipped being "clean and heavy pack". The only dispute was as to its being "beautiful" spinach.

The Secretary held that the term "beautiful" has no recognized meaning as a descriptive specification to spinach and it must be considered that it was used in this contract as a sales-talk term, denoting nothing more specific than generally-desirable quality. He further held that the inspection certificate showed the car in question to be of such quality and that it substantially complied with the terms of the contract, and the rejection, therefore, was without reasonable cause.

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PLANT BREEDERS TOSHOW PRODUCTS AT GENEVA

Grapes and cucumbers without seeds, peaches without fuzz, and "sports" and new seedlings of all the hardy fruits, of bananas and pineapples, and of several different kinds of vegetables will be assembled as examples of the plant breeder's art for the inspection of those who attend the meeting of the sixth International Congress of Genetics to be held at the New York State Agricultural Experiment Station at Geneva on August 31. The fruit and vegetable section of the Congress is meeting in Geneva, while the other sections of the Congress will meet at Cornell University.

Several new varieties of raspberries, strawberries, and gooseberries will be exhibited in a frozen state, which will enable the observer to see the color and conformation of the new fruit. Hybrid nuts, hybrid sweet corn, a seedless type of hot house cucumber, and families of beans bred for freedom from so-called hardshell will be some of the numerous features of the exhibit.

In addition to the fruit grown on the Station grounds at Geneva, hundreds of specimens of hardy fruits from other experiment stations in this country and Canada will be entered. There will also be elaborate displays of recent developments in the breeding of pineapples and of displays of recent developments in the breeding of pineapples and of bananas. Scientists from many foreign countries and from practically every State are expected to attend the Congress.

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ACCEPTANCES OF GOODS  
PRECLUDES COMPLAINT.

Carl E. Wimer of Auburn, Indiana, sold Frick Brothers of Toledo, Ohio fifty bags of turnips to be delivered at Toledo. Frick Brothers accepted the turnips and gave Wimer's representative a check covering their cost. Payment was stopped on the check, and protest fees and other expenses were incurred. Frick Brothers, in a hearing under the Perishable Agricultural Commodities Act, admitted the contract and gave as a reason for not paying that the turnips were frozen. The evidence showed that Frick Brothers bought the turnips on sample and that, upon arrival of the truck containing the turnips, the representative of Frick Brothers climbed onto the truck and examined some of the turnips and ordered that they be weighed and taken to the warehouse, which was done.

The Secretary of Agriculture held that this was a sale made subject to an examination by the purchaser and that, in such a case, if after examination the purchaser is satisfied with the commodity and accepts it, he cannot be heard to complain when on later and more thorough examination he discovers the commodity was not what he thought it was on his first examination, unless by some fraudulent means the seller misleads the buyer in his examination and prevents him from securing complete knowledge of the condition of the goods. The failure of Frick Brothers to pay for the turnips was held to be without reasonable cause and in violation of the Act, and they were ordered to pay Wimer \$64.57.

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REJECTION OF GRAPES  
HELD TO BE UNJUSTIFIED.

F. L. Granger of Benton Harbor, Mich. sold the Gilinsky Fruit Company of Omaha a car of Michigan Fancy table grapes in four-quart baskets. Upon arrival, the car was rejected by Gilinsky on the ground that the grapes were not Michigan Fancy table grapes and that the confirmation of sale provided for a special agreement "subject to buyer's inspection on arrival."

As to the first contention, the car was inspected at destination by a Federal inspector and found to meet requirements for Michigan Fancy table grapes. With regard to the contention as to Gilinsky's right under the special agreement, the Secretary of Agriculture in a hearing under the Perishable Agricultural Commodities Act held that this was an f. o. b. shipment and that, regardless of the special agreement, Gilinsky was liable for normal deterioration in transit and that the deterioration which had occurred was not abnormal. After the car had been rejected, it netted only \$39.49 upon resale. Gilinsky claimed that this indicated that it did not conform to the contract. The Secretary held this contention to be without merit, since the car was disposed of several days after arrival and its condition would have been affected by this delay, and since a car which has been rejected regardless of whether the rejection is justified, is generally discounted upon resale. Gilinsky was ordered to pay Granger \$426.69, the difference between the original contract price and the proceeds of the resale.



# MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

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### MORE STATES REPORT ON MARKETING PROGRAMS

Additional reports on work programs in agricultural economics by State departments of agriculture and State college of agriculture have been received, as follows:

Alabama: "We have not made any changes in our market work in this State. We have and are still publishing a market exchange bulletin for farm produce. Our Federal wire giving us reports has been discontinued. Our shipping point inspection is about the same this year as last." - B. P. Livingston, Division of Plant Industry and Markets, Alabama Department of Agriculture and Industries.

Mississippi: "This department underwrites the fruit and vegetable inspection for this State, though we do not get out a market news sheet. The Agricultural Service Department, during the busy season of the year, has a market wire service and releases these reports to the press; their printed weekly sheet which was called the 'Market Sheet' has been discontinued for the sake of economy.

"The fruit and vegetable inspection in this State has proven very satisfactory and is growing in public favor more and more as the seasons pass. I believe that the improvement brought about in marketing conditions because of the standardization which Government certificates contribute, has been largely instrumental in expanding the truck growing industry in Mississippi. We anticipate much larger acreages to truck over the State next year than were recorded this year.

"I very strongly favor all forms of inspection for farm commodities, and look forward to the day when this service obtains throughout all groups of agriculture. It is my opinion that standardization is the greatest protection of all for the farmer against unfair marketing practices. I can well recall when vegetables shipped to markets of the world from producing centers of the South turned out very badly for the growers, because large proportions of the shipments would be 'rejected' by consignees as not 'up' in quality, and other similar difficulties. Now, where Government inspection is used, the certificate stands by the shipment unto the final destination, proclaiming the quality and condition of the product." - J. C. Holton, Commissioner, Mississippi Department of Agriculture and Commerce.

Missouri: "We have made no expansion nor have we reduced our activities in produce inspection and standardization in this State. We have just completed Federal-State compulsory shipping point inspection of

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potatoes in the Orrick district, where we inspected some 1,700 carloads. We are now preparing to do the inspection of grapes and will also have shipping point inspection of apples. Last year we had shipping point inspection on strawberries, potatoes, grapes, apples, and peaches. It will be the same this year." - C. P. Anderson, Commissioner, Missouri State Marketing Bureau.

New York: "New York State is making every effort to curtail State expenditures. Our department as a whole has a reduced appropriation for personal service, communications and traveling expenses. These cuts are not drastic but, nevertheless, make it necessary to curtail such activities as we can and to use extreme care in planning expenditures.

"In the marketing work, we are leaving unfilled in our New York office a market reporter item and we have also discontinued free mailing of all our market reports, except to farm bureau agents, newspapers, and agricultural teachers. Others who desire to receive mimeographed copies of the reports are being requested to forward postage to cover cost of mailing. This plan is working out very well and considerable lists are being maintained on which postage is forwarded for the reports.

"A committee which has been investigating costs of State government is expected in the near future to present recommendations which may result in curtailment of specific activities. For the time being, however, our main effort is concentrated on reducing traveling expenses where we can, saving on telephone tolls, etc." - H. Deane Phillips, Director, New York State Bureau of Markets.

North Dakota: "I heartily agree in effecting economies by certain possible consolidation, by certain possible reorganization, as well as postponing some long-time economic research studies in favor of projects which have a more immediate bearing upon current economic conditions. Just what our changes of this kind will be are not yet worked out definitely. We plan to reorganize all of our work in the various phases of agricultural economics so as to have one real department in this interesting and important field." - Cap E. Miller, Chairman, Department of Agricultural Economics, North Dakota Agricultural College.

Note: The appointment of Cap E. Miller, agricultural economist at North Dakota Agricultural College since 1919, to the post of chairman of all agricultural economics work at the institution was announced on August 9 by J. E. Shepperd, president. The appointment was approved at a recent meeting of the Board of Administration. Professor Miller will head up the work in all of the college divisions, including experiment station and extension.

"This combination of the departments in agricultural economics," Dr. Shepperd says, "will make some economies possible and yet maintain efficiency."

South Carolina: "So far as I know, there are no changes being made this year in the market news and produce inspection in this State. At the present time, twelve inspectors are in the field assisting growers in marketing peaches. The inspectors give the orchardists valuable assistance in grading and packing their fruit for the market, issuing certificates that the peaches have met required tests. The peach crop is estimated to be 600 cars and to bring \$500,000 to growers. At present, the agricultural economics division of South Carolina Experiment Station



is making an agricultural production, consumption, and marketing study of the Sumter trade area. We will continue our marketing studies of cotton and hogs." - Ward C. Jensen, agricultural economist, South Carolina Experiment Station.

Oregon: "The major change which has taken place, effective July 1 of this year, is the removal of all agricultural economics to the School of Agriculture. Heretofore this work has been conducted as a part of the department of economics and sociology in the School of Commerce at the college. Under the new plan of reorganization the School of Commerce is merged with the School of Business Administration at the University at Eugene, and the major work in general economics is made a part of the newly organized School of Social Sciences headed at the University. The newly organized department of agricultural economics will be separate and distinct from the department of farm management.

"There has been no curtailment of activities in the field of extension in agricultural economics of any material consequence. The market news work and the dissemination of agricultural situation outlook material, under the direction of L. R. Breithaupt, will continue as heretofore. The same is true of extension work in marketing and cooperative marketing, headed by George R. Gatlin.

"There has been some curtailment in research work inasmuch as the position held by George L. Sulerud, who resigned March 1, will not be filled this year. The research in agricultural economics has been confined mainly to studies in rural taxation and to studies dealing with trends in volume of production, prices, and market consumption of Oregon's important agricultural commodities. During the last three or four years, studies in this field have been completed for wool, canned fresh prunes, small fruits, and hops.

"At present, I am bringing to completion an economic study of cherries in Oregon and the Pacific Northwest, started by Mr. Sulerud last year. Results thus far indicate that in the production of sour cherries the Pacific Northwest is at a competitive disadvantage when compared to Wisconsin, Michigan and New York where the bulk of the commercial acreage is located. In the East, markets have not expanded sufficiently rapidly to absorb the increasing tonnage that has been coming from these States. These States grow as good sour cherries as can be grown in the Pacific Northwest. Since transportation costs operate as a differential against sour cherries grown in the Pacific Northwest it is apparent that from the long-run point of view acreage of sour cherries grown in the Northwest should be limited to the demands of Pacific Coast markets. Acreage in Oregon and Washington has already expanded to the point where some of the tonnage must be shipped to Eastern markets. The per capita consumption of sour cherries in San Francisco and Los Angeles appears to be far below that of Eastern centers of population.

"The acreage of black shipping cherries coming into bearing in the five Western states, where virtually all black cherries are grown in this country, is so great as to offer a real threat to the future of the industry unless markets can be substantially augmented. The downward trend of prices gives indication of the concreteness of this impending problem. The great consuming area of the middle west is scarcely tapped at present because the bulk of the fresh cherries are shipped in car lots into a few auction markets in Eastern centers of population. The



outlook for the Royal Anne cherry is equally unpromising unless the tariff enacted in 1930 stays on the statute books.

"Disregarding the immediate cause of low prices to growers, namely the present business recession, the expansion in non-bearing acreage is such as to give real cause for apprehension unless surpluses that will come from this expanding acreage can be absorbed in Maraschino trade, which has formerly secured its sources of supply through imports. Manufacturers of Marashino cherries are fighting hard to secure a reduction in tariff. The question is now before the tariff commission for investigation.

"The normal outlet for the Royal Anne cherry has heretofore been through canned pack, but the canned cherry has not proved to be as popular with the consumer as certain competing fruits such as peaches and pineapples, for example, largely because the latter are so much lower priced. There is little hope, therefore, of expanding the market for canned cherries sufficiently to absorb any considerable proportion of the additional tonnage which will come from expanding acreage." - Milton H. Nelson, head, Department of Agricultural Economics, Oregon Agricultural College.

Wyoming: "There has been no change in our standardization and marketing work for the coming year. My department handles the certification work on seed potatoes and alfalfa seed. Our marketing projects deal with a study of our cooperative organizations, and consumer area studies of our more important consuming centers. We are also assisting producers in their plans to market their feeder animals direct from the range to the feed lots. Different types of share feeding contracts have been worked out for the stockmen and feeders." - A. F. Vass, head, agronomy Department and Agricultural Economics, Wyoming College of Agriculture.

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#### NEW ENGLAND MARKETING OFFICIALS HOLD SUMMER MEETING.

The New England Marketing Officials Association held a meeting at the University of New Hampshire on August 4. Brice Edwards of the Connecticut Department of Agriculture reported that the roadside stand operators association in that State had incorporated and planned to do cooperative advertising. The association decided that newspaper advertisements were too expensive at present, but planned to use the New England "quality label" and a small imprint of the roadside stand in their publicity work. Mr. Edwards also announced that Pennsylvania has a similar roadside stand project and has already placed thirty signs. Laurence A. Bevan of Massachusetts Department of Agriculture reported that more than fifty signs have been issued in that State, and that the number will exceed sixty signs before the close of the season. Inspector George H. Chick of Maine Department of Agriculture reported fourteen signs placed in that State, where there is a provision in the contracts with stand owners that 80 per cent of the products be Maine produced. It is believed that this clause is too limiting, and it may be changed. M. H. Brightman of Rhode Island Department of Agriculture reported twenty-one signs placed and stated that there would probably be thirty by fall. Rhode Island stand owners have reported an increase in business.

Mr. Edwards says that from 125 to 150 signs have been used this year in New England. The Marketing Officials Association appointed a committee to investigate the possibilities of roadside stands.

C. M. White of Maine Department of Agriculture said that heads of



departments in Maine had practically agreed on voluntary cuts of 20 per cent. In the Bureau of Markets the saving must be \$2,800. The following cuts were to be made in the expenses of the departments: Exhibits, \$350; inspectors, \$800; radio \$300; market news, Presque Isle, \$150; travel, \$600; miscellaneous, \$325. Massachusetts reported that any decreases in expenditures should not include market reporting, crop reports, and standardization, but that salaries and expense accounts would be cut. Connecticut reported a cut of 30 per cent in mileage from 10 cents to 7 cents per mile.

Harold B. Rowe of Massachusetts stated that the second Massachusetts Egg Auction was being held on the day of the marketing officials meeting, August 4. Two hundred cases a week are expected. Some of the troubles encountered in the project are: inexperienced auctioneer; too many spectators; inexperienced operators; buyers had not familiarized themselves with the grades; auctioneer and manager not acquainted with buyers.

Bevan of Massachusetts reported that Massachusetts Division of Markets spends three-fourths of its budget on collecting and disseminating market reports. The Marketing Officials Association appointed a committee to determine whether market reports now being issued in New England give all the information needed, whether they are accurate, their scope and uniformity, whether they cover volume, and what improvements or additions can be effected.

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#### CALIFORNIA SETS UP

##### NEW POULTRY BUREAU.

Establishment of a Bureau of Poultry Control, headed by Dr. A. G. Gierks, has been announced by California Department of Agriculture. The State maintains four laboratories for the investigation and treatment of poultry diseases, and these are to be included in the working plans of the new bureau. In addition, the division will give service to all other phases of poultry production and marketing.

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#### CONTINUED EXPANSION OF

##### BEEF PRODUCTION IN CALIFORNIA.

The number of cattle on farms has been increasing since 1928 and is expected to result in a marked increase in cattle slaughter within the next few years, according to the summary of the beef cattle outlook issued on August 22 by the Bureau of Agricultural Economics.

The number slaughtered during the first half of 1932 was the smallest for the period in many years, the report states. If this slaughter continues small during the remainder of the year, the bureau says that the number of cows on farms January 1, 1933 will be near the largest total ever recorded in this country.

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#### GOVERNMENT STANDARDS ISSUED

##### FOR EXTRA WHITE COTTON.

Standards for Upland cotton known as Extra White to supersede and replace present standards for grades and colors of Extra White cotton have been established by the Secretary of Agriculture, effective August 10, 1933. Until the effective date, the new standards may be used as permissive standards in the purchase and sale of Extra White cotton in spot transactions when specifically indicated. In the absence of specification of the revised standards, and for purposes of deliveries on futures contracts, the Extra White standards effective since August 1, 1930 will continue in use until August 10, 1933.



THE LIST of State agricultural and marketing officers compiled by the Bureau of Agricultural Economics, has just been revised.

INCREASED PROFITS for orchardists could be made from preparing high quality cider to be stored and sold frozen, says Dr. R. B. Harvey, Minnesota Extension Division. Experiments at the University Farm indicate that freezing is the best way to keep cider fresh without preservatives, pasteurizing or boiling, which alter the flavor.

MORE MONEY from lambs for North Dakota farmers and feeders is the object of a series of twenty-four lamb grading and feeding demonstrations which opened in Pembina County, North Dakota, August 22. The sessions, to be held in six counties, will give farmers information on market grades and methods of feeding.

PRODUCTION of creamery butter in Iowa has increased 14.2 per cent from 1920 to 1931 with only a 4.8 per cent increase in the number of cows, says Iowa Extension Service.

STEADY IMPROVEMENT in the quality of breeding stock on many farms is reported by the United States Department of Agriculture. Much of the progress is attributed to "rock-bottom prices" of good purebred sires.

A SYSTEM of mechanical hay drying, which has proved efficient, has been developed in experiments by Louisiana University. The work has shown that machine dried hay is 55 to 73 per cent more valuable than field cured hay.

FARM MORTGAGE loans of life insurance companies have been decreasing since 1928 until they now approximate the loans outstanding in the spring of 1925, says the Bureau of Agricultural Economics. Heavy demands for policy loans and irregular receipt of income have reduced the funds the companies have had available for investment, but in recent years the proportions invested in farm mortgages have continued to average about 10 per cent.

RECENT mimeographed reports issued by the Bureau of Agricultural Economics include "Marketing Western New York Carrots, Summary 1931-32 Season," "Marketing Western and Central New York Onions, Summary 1931-32 Season," and "Marketing Colorado Onions, Summary 1931-32 Season."

THE CHECK LIST of Standards for Farm Products as formulated by the Bureau of Agricultural Economics has been revised.

"POTATO COSTS IN MICHIGAN" and "Cost of Producing Michigan Beans," are the titles of mimeographs recently issued by Michigan State College, East Lansing, Mich.

"ECONOMICS OF SHEEP PRODUCTION IN WESTERN NEW MEXICO," is the title of Bulletin 204, recently issued by New Mexico College of Agriculture, State College, N. H.

"CARLOT SHIPMENTS AND UNLOADS OF IMPORTANT FRUITS AND VEGETABLES, for the Calendar Years 1929 and 1930," is the title of Statistical Bulletin 38, recently issued by the U. S. Department of Agriculture.



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MARKETING ACTIVITIES

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Agriculture

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WISCONSIN IS INCREASING ECONOMICS WORK

Oklahoma Research Funds Curtailed...  
Tennessee Plans No Reduction in Market-  
ing Activities...Business As Usual in  
Illinois.

Wisconsin: "Although the University is operating on a reduced budget, the activities of the Department of Agricultural Economics have not been curtailed; in fact we are carrying on an extended research program. This program includes the following major marketing projects: Milk Price Policies and Their Effects upon Cities and Allied Markets; Marketing of Veal Calves with Special Reference to Quality Factors; Consumer Demand for Cheese; Trucking Practices in Their Relation to Wisconsin Agriculture; Distribution of Wisconsin Potatoes, with Special Emphasis upon Market Preferences.

"We are also engaged in other economic research, such as: A Study of Highway Taxation and Expenditures in Wisconsin; Sources of the Money Spent for Educational Purposes in Rural Districts, Cities and Villages; Possible Farm Tax Reduction through Changes in the Forms, Methods, and Functions of Local Government; a Study of Abandoned Farm Areas, and a Study of the Efficiency in Management and Operation of Various Types of Plants Manufacturing Cheese in Wisconsin.

"We are adding a new extension project having to do with the promotion of farm accounting practices. The plan is to combine farm financial accounts with herd improvement records and to enlist the assistance of cow testers in promoting this work.

"The foregoing program represents an expansion of our activities. This expansion is undertaken on a theory that the depression has accentuated the need for economic services." - Asher Hobson, Department of Agricultural Economics, Wisconsin College of Agriculture.

Oklahoma: "Our research funds have been somewhat curtailed but we expect to carry on our research much the same as last year except for certain economies. Our principal research in marketing is expected to be a study of the business operations of local grain elevators in Oklahoma and a study of the grade and staple lengths of the Oklahoma cotton crop for the last five years." - Roy A. Ballinger, associate professor, Department of Agricultural Economics, Oklahoma Agricultural and Mechanical College.

Tennessee: "We lost our leased wire beginning August 1 but we are getting the desired information and markets from the Atlanta Office and are continuing this service on the same scale. Our inspection work for strawberries this year covered 410 cars as compared with 303 last year,

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and cabbage and beans 278 cars as compared with 261 for last year; tomatoes, 1,579 cars compared with 1,542 last year.

"There will not be any radical changes in the Division of Markets this fiscal year. Our tobacco grading service in the Eastern and Western Dark-Fired sections has just come to a close after a very successful season. We expect grading service to be inaugurated again at the beginning of the burley tobacco season." - Thos. P. McCord, Director, Tennessee Division of Markets.

"Illinois: "Up to the present time we have received no cuts in our appropriation but have been requested by the Director to keep expenses to a minimum and save wherever possible. Due to our light peach crop we have considerably more money appropriated than we shall use this year. This has given us an opportunity to expand somewhat in other lines and we are doing more work with the tomato cannery inspection and carrying on the other lines of inspection which we have had in former years. This Division does not handle any market reporting since that is so well taken care of by the Federal bureau in Chicago." - Arthur P. Holt, Superintendent, Division of Standardization and Markets, Illinois Department of Agriculture.

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#### POULTRY PRODUCERS COUNCIL TO MEET NEXT WEEK

The Northeastern Poultry Producers Council will hold its summer meeting at Harrisonburg, Virginia, on September 7 and 8, Sidney A. Edwards, Secretary, has announced. In addition to addresses by leading public and private poultry interests, there will be reports of standing committees on marketing, the baby chick industry, legislation, breed improvement, feeding and nutrition, disease control, economic stabilization, education and research, organization and finance, business ethics, and egg laying contests.

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#### ALABAMA WELCOMES COTTON PRICE IMPROVEMENT

"The recent advance in the price of cotton added several million dollars to the value of the Alabama crop and, as a result, a better business is expected this fall," Alabama Extension Service has announced. "Farmers," the Service continues, "will be able to pay more debts and do more buying than was thought possible in the early summer, even though the size of the Alabama crop is estimated to be about two-thirds as much as was harvested in the State last year.

"Another bright spot in the agricultural picture is that the production of feed crops will be as much or more than that of 1931. In some counties farmers are making more corn and hay while others are making less, weather being an important factor. A better livestock situation is reported. Cattle, sheep and hogs are in better condition than usual for late summer. This is due to better pastures during the summer, rain being the particular factor in making such pastures. Encouraged by better prices for cotton, Alabama farmers are now preparing to plant winter seed legumes and also small grains."



NEW JERSEY AUCTIONSYIELD "HIGH PRICES".

Nine farmer-owned auction markets in New Jersey, organized with the cooperation of New Jersey Department of Agriculture, have proved effective in obtaining for farmers the highest possible prices for their products says Warren W. Oley, Chief, Bureau of Markets, in a circular "Producers' Auction Markets in New Jersey," just published by the department.

The circular describes the results obtained by New Jersey farmers from auction selling and describes the operation of the State's fruit and vegetable, egg, and live poultry auction markets. These auctions have sold more than one million dollars worth of agricultural products for 2,000 farmers thus far this season.

"The main purpose of auction sales, "Mr. Oley says, "is to obtain the best possible financial returns for the owners of the property sold. Auctions of agricultural products as conducted in New Jersey have accomplished this result. They have been a means of concentrating farm produce for sale and of bringing about more direct distribution of farm products. They are a means of establishing prices for products which can be and actually are used as quotations for the private sale of commodities of the same quality and grade.

"One of the most important features of the New Jersey auction markets is that they are operated in the plain view and hearing of everyone. They, therefore, have eliminated the complaint of the grower that he does not know the actual price his goods bring. Formerly he had to trust somebody, and when prices were lower than he had expected, he doubted the agency to which he had entrusted his shipment.

"No other system of selling can handle the vast quantity of goods that an auction sells with as few salesmen. Cost of operation averages but little more than one per cent of gross receipts. At the egg markets, the eggs are graded by the Department of Agriculture, and labeled; all deals are guaranteed by the market, and collections are made from the buyers and returns made to producers.

"The membership of the auctions is made up only of farmers and the management of the markets is entirely in the hands of the farmers. In 1931, the Cederville Auction Market sold 448,839 packages of farm products, mostly strawberries, lima beans, green beans and onions, for a total of \$549,359; the Rosenhayn Auction Market sold 64,750 packages of fruits and vegetables for a total of \$98,567."

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ILLINOIS ISSUESAPPLE STANDARDS.

Standards for the marking, branding, and inspection of apples have been issued by Illinois Department of Agriculture. The grades are the same as the United States grades except that the U. S. Commercial and U. S. Combination grades have not been adopted. A grade known as "Illinois Orchard Run" consists of not less than 40 per cent of U. S. No. 1, and the remainder U. S. Utility. A tolerance of 10 per cent by weight is provided for apples below the requirements of U. S. Utility grade, but not more than one-tenth of this amount, or 1 per cent, shall be allowed for decay.



REJECTION OF POTATOES  
HELD TO BE UNJUSTIFIED.

Leo H. Wright of Moorhead, Minn., sold the Acme Hay & Mill Feed Company of Sioux City, Iowa, 13 carloads of potatoes, f.o.b. loading station, the potatoes to be U. S. No. 1 grade, with Federal-State inspection certificates furnished with invoice covering each carload, showing that the potatoes met requirements of the grade, the certificates to govern as to grade.

The Acme Hay & Mill Feed Company refused to accept 6 of the 13 cars, contending that the potatoes did not conform to the terms of the contract in that they were not ripe and mature; that the shipments were not routed according to instructions and cars could not be diverted, resulting in loss of sales; that the company was not protected by through tariff rate, and that the shipper failed to mark the bills of lading: "Hold on C. B. & Q Ry. at Sioux City for orders", as instructed, thereby causing additional loss.

The contract between the parties called for U. S. No. 1 grade and there was nothing in it stressing the fact that the potatoes must be ripe and mature, and the evidence in a hearing under the Perishable Agricultural Commodities Act showed that the potatoes complied with the contract specifications.

With reference to contentions regarding the routing of the cars and the notations on the bills of lading, the Secretary of Agriculture, held that the shipping instructions were not a part of the contract and failure to comply with them did not justify refusal to accept the shipments.

It was held that the rejection was not justified and a reparation award was issued in the sum of \$788.80, with interest at 6 per cent from October 1, 1931, this \$788.80 being the difference between the original sale price and the net amount of resale of the rejected cars.

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THE VIRGINIA barrel-type container for potatoes recently appeared on the Cleveland market. The container is of round construction, made of slats, ventilated, and bound by steel hoops.

UNITED STATES STANDARDS for cauliflower, U. S. standards for farmers' stock Virginia-type peanuts and U. S. standards for fresh tomatoes have been issued by the Bureau of Agricultural Economics.

SOUTH CAROLINA growers are getting materially higher prices for tobacco, according to the Bureau of Agricultural Economics tobacco market news service. An improvement in the foreign market is indicated by better prices for export grades of flue-cured tobacco, as compared with prices a year ago.

"CORN IN ITS NORTHERN HOME" is the title of Bulletin 257, recently issued by North Dakota Agricultural College.

MASSACHUSETTS Department of Agriculture has announced that the color requirements on Gravenstein apples have been changed to read: "Massachusetts Extra Fancy, 15 per cent; Massachusetts Fancy, none; Massachusetts Combinations A, none."



## MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

September 7, 1932

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NEW JERSEY ACTIVE IN  
GRADING CANNERY TOMATOES.

Four thousand tons of cannery tomatoes are being graded daily this season by New Jersey Department of Agriculture at one of the State's large canneries, and smaller amounts are being graded at three other plants. In past years, says the department, New Jersey farmers have sold their cannery tomatoes on a flat rate basis regardless of quality variations between loads and within individual loads. This year, about 75 per cent of the State's 174,000 ton crop is being purchased by canners on the basis of quality as determined by grading.

Manufacturers of tomato products, according to the department, have found that the better the color and general quality of the tomatoes they purchase, the better the finished product. They are in the market for sound, well-colored tomatoes, and this year have contracted with New Jersey growers to pay from \$16 to \$20 per ton for U.S. No. 1 stock, from \$8 to \$12 per ton for U.S. No. 2 stock, and nothing for culls.

The department points out that the system of buying tomatoes on the basis of grade has been in effect in previous years in Indiana, Ohio, Virginia, Maryland, Delaware, Pennsylvania, New York, and Utah, and that inasmuch as these states compete with New Jersey in the cannery tomato industry, it became necessary to introduce the system of grade buying in New Jersey.

The average price per ton paid to New Jersey at the four canneries purchasing their stock according to the new system is reported to have been as high as \$17.50 in a single day, which means that some growers have been getting considerably more than \$18 per ton. The few canneries in New Jersey which are buying on the flat rate basis are paying from \$10 to \$14.50 per ton for stock.

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OKLAHOMA REPORTS INCREASE  
IN ROADSIDE MARKETING.

Roadside marketing is being encouraged in Oklahoma by the Oklahoma Extension Division. Producers are being told by A. W. Jacob, extension economist in marketing, that paved roads are now making it possible for hundreds of farmers in the State to sell a part of their products direct to consumers through roadside markets, and that in order to attract buyers continuously, the roadside market must establish trade practices which will develop repeat orders. He says that the market should be placed on a well-traveled road, and close to a town of 5,000 or more population. He



stresses visibility of the market from the road, neat and attractive market construction, cleanliness, neat signs, attractive display, salesmanship, and grading and quality. He reports that there are from one to forty roadside markets in each of the seventy-seven counties of the State, and that some farmers are making special plantings of fruits and vegetables in order to supply their roadside market demands. In some cases farm women's clubs are putting up roadside markets. The average market in Oklahoma is operated only during July, August, and September.

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#### NEW HAMPSHIRE VIEWS

##### NEW ENGLAND DAIRY OUTLOOK.

Total consumption of milk in Boston as indicated by receipts was greater in the first four months of 1932, but in May, June, and July was 4.3 per cent below that for the corresponding months in 1931, according to New Hampshire Department of Agriculture reporting findings of the Dairy Outlook Committee of the New England Research Council.

Consumption of cream in the Boston market, as indicated by receipts since January 1932, is reported at 10 per cent below the same period in 1931. The Council states that "business conditions in New England do not indicate the probability of an increase in demand for dairy products during the next six months.\*\*\*There is little indication of material improvement in prices for milk during the coming fall. Supply and demand conditions indicate that the price of manufactured dairy products will be lower than for the corresponding period last year. This will tend to keep the prices of surplus milk at a low level."

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#### NORTH CAROLINA SEES HOPEFUL OUTLOOK FOR HOGS.

"There is no sound reason why the present price of hogs should decline," says North Carolina Extension Service, which is telling farmers in that State that "those who have followed the custom of converting their surplus corn into pork and who will have hogs ready for the market within the next two months may reasonably expect some profit from such feeding operations."

W. W. Shay, swine extension specialist in North Carolina says that "animals which have been properly fed are returning from 65 to 75 cents a bushel for the corn they have eaten, according to prices now being received on the Richmond livestock market."

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IN THE PERIOD September through December, 1931, Florida Department of Agriculture tabulated daily the truck passings of citrus fruits, and says that in this four-month period 833,572 boxes of oranges, grapefruit and tangerines moved by truck. Twenty-seven states other than Florida received these truck shipments. Massachusetts, Michigan, Nebraska and Wisconsin are included in the list, but the states nearer Florida received the largest volume. According to the volume received, Georgia ranked first, then South Carolina, North Carolina, Alabama, and Tennessee. The ranking cities were Atlanta, Savannah, Birmingham, Augusta, Charleston, and Greenville.



CALIFORNIA SAYS"ADVERTISING PAYS".

"Advertising pays", says the Los Angeles Chamber of Commerce agricultural department, citing "a concrete instance of the value of advertising in increasing the consumption of agricultural products" as shown in a recent survey of the California avocado industry, made by Dr. E. A. Stokdyk of the University of California. During the past season, it is reported that records were kept on sales in 34 cities of the United States before and after advertising effort was spent in these cities, and that the increase in sales after advertising work was from 5 to 1,000 per cent.

The name "Calavo" is applied to first grade fruit, and the policy of the marketing association is to classify only superior fruit.

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GOVERNMENT LOANS AIDCOTTON MARKETING.

Advances of four-fifths of a cent a pound on lint cotton to cover picking, ginning, and bagging costs, etc., wherever necessary, has been authorized for cotton farmers who borrowed money from the Government last spring, H. S. Clarke, national director of the 1932 Crop Production Loan Office has announced. Mr. Clarke reports further that a policy aimed at promoting orderly marketing of the cotton upon which Federal funds have been lent has been adopted in that although crop production loans fall due November 30, 1932, farmers may store cotton in licensed warehouses, to be sold any time between storing and March 1, 1933, or they may store it with cotton cooperatives, for sale by March 1 or May 1, 1933.

The plan contemplates disposal by May 1, 1933, of all cotton stored as collateral against 1932 crop loans. All cotton stored must be insured and warehouse receipts must be indorsed by the borrower to the Secretary of Agriculture. The farmer is given the option of sale, except that if at any time 80 per cent of the market price of the cotton stored as collateral is less than the amount of the full indebtedness of the borrower, then automatically the cotton is to be sold.

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WOOL PRICE GAINS DUETO REPLACEMENT DEMAND.

The rapid decline in wool consumption from July 1931 to May 1932 probably has prepared the way for an increase in activity based on replacement needs, says the Bureau of Agricultural Economics in its current report on world wool prospects.

It is reported that improved sentiment in the wool market has been evident since June, when consumption of combing and clothing wool increased to 16 per cent above the low point in May, and the bureau adds that activity in the Boston market in July and August seems to indicate a continuation of the improvement. It is pointed out, however, that sustained improvement of large magnitude would require an improvement in general business conditions and consumer incomes.



SIZE OF ONIONS IS MADE  
GROUND FOR COMPLAINT.

Fred McKown of Warsaw, Indiana, sold the Agricultural Exchange of Pittsburgh a car of yellow onions f.o.b. Indiana, the stock to grade U.S. No. 1, 30 per cent over two inches. The car was ordered shipped to Marshfield, Wisconsin, but at the request of the buyer the car was stopped in Chicago. The inspection at shipping point showed the onions to be U. S. No. 1, 30 per cent over two inches; a second inspection made at Chicago showed them to be U.S. No. 1, 45 per cent over two inches. Because of the second inspection, the car was refused by the Agricultural Exchange and was sold for freight charges, netting McKown \$135.

The Agricultural Exchange, in a hearing under the Perishable Agricultural Commodities Act, contended that McKown did not comply with the contract as to size, stating that they had ordered onions 30 per cent to 40 per cent over two inches, and the second inspection certificate showed the onions to be 25 per cent to 60 per cent, averaging 45 per cent, over two inches. Although there was some mention of size in the preliminary negotiations, the broker who acted for both parties in negotiating the sale did not stipulate in the contract that the onions were to be 30 per cent to 40 per cent over two inches. The contract simply specified U.S. No. 1 yellow onions. Since the onions complied with the contract, the Secretary of Agriculture held that the rejection was unjustified. The contract price of the car was \$500, but it was finally sold for freight charges and netted only \$135. The shipper claimed reparation in \$365, and this was allowed by the Secretary of Agriculture.

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CASH CROPS SMALLER;  
FEED CROPS ARE LARGE.

Smaller cash crops and relatively large feed crops this year are important factors in the current farm situation, says the Bureau of Agricultural Economics.

Government estimates for August place the average of crop yields per acre at 6.5 per cent less than a year ago, and 4.6 per cent below the ten-year average. The cash crops have been cut down, says the bureau, whereas it is expected that the total supply of new feed grains will be the largest in several years. The bureau adds that the meat animal industries have received some encouragement from the markets this summer, but that no similarly encouraging price recovery has as yet appeared in the dairy industry. It is expected that western cattle will come to market somewhat later this season than last but in better flesh. The bureau states that although milk production per cow on August 1 was 10 per cent below average for that date, the dairy industry faces increased production during the coming year because of the relatively large number of cows, increased fall freshening, and the probability of cheap feed.

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CORRECTION: The August 24 issue of "Marketing Activities" stated that "production of creamery butter in Iowa has increased 14.2 per cent from 1920 to 1931 with only 4.3 per cent increase in the number of cows." The "14.2 per cent" should have read: "142.6 per cent".



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### MARYLAND EXPANDS ECONOMIC PROGRAM.

"No reduction has been made in our economic research and extension program for this fiscal year; in fact, we have expanded our work somewhat," reports S. H. DeVault, Department of Agricultural Economics, Maryland College of Agriculture. "Prior to August, only one extension man in farm management and agricultural economics was employed by the Institution. Another man was added to the extension force in August of this year.

"The following projects will be active during the fiscal year 1932-33: Economics of the peach industry in Maryland; the supply and distribution of Maryland tobacco; economic efficiency of the farm layout; organization and business analysis of Maryland farms; the farm problem in Maryland; economic aspects of farm tenancy and leasing systems in Maryland; an economic study of the turkey industry in Maryland."

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### NORTH DAKOTA HOLDING LIVESTOCK GRADING MEETINGS.

Livestock grading and marketing meetings during September and October have been scheduled in North Dakota by extension agents in thirty-one counties, according to George J. Baker, livestock specialist of the agricultural college extension service. Forty to fifty meetings will be held, and the services of J. K. Wallace, marketing specialist of the Federal Bureau of Agricultural Economics, have been obtained for each session. The meetings, to be held on farms, will deal with beef cattle, sheep and hog marketing problems, and methods of feeding.

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### PENNSYLVANIA TRUCKS MANY POTATOES TO MARKET.

In an average crop year, only about 10 per cent of the Pennsylvania potato crop is shipped by rail, and 90 per cent is trucked to market, says Pennsylvania State College in a new bulletin, "Potato Marketing in Pennsylvania." Dr. F. F. Lininger says in this bulletin that half of the trucked potatoes, or 45 per cent of the total crop marketed, is sold at farms. Marketing costs per bushel, incurred by farmers, were found to range from 2.4 cents on sales to truckers to 20.6 cents on sales made on curb markets of nearby cities and towns. The average marketing costs to growers on truck sales total 8.5 cents a bushel, and on rail shipments 4.1 cents, exclusive of freight.



NORTH DAKOTA TELLS TURKEYMEN  
NOT TO SELL ON CONTRACT.

Reports that some North Dakota turkey growers are already contracting for the sale of their birds, has led J. A. Salisbury, Kittson county agent, to issue a vigorous warning against such a policy.

"Such contracts," he says, "usually are very one-sided. The contractor has a 'string' on the turkeys and the farmer has no guarantee as to price, fairness of grading, or reliability of the other party to the contract.

"Turkey buyers may talk hard times and low prices. Turkey prices may be low, but every farmer should remain free to sell his turkeys when ready to market to whatever buyer or organization offers the best price and the fairest grading."

Mr. Salisbury's advice to Kittson county turkeymen has been endorsed for turkey growers all over the state, by Dr. W. A. Billings of North Dakota extension division.

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MASSACHUSETTS SURVEYS EGGS  
IN BOSTON RETAIL STORES.

Several hundred dozens of eggs were examined in a recent survey of eggs offered for sale in Boston retail stores, under the direction of A. H. Lindsey and Hubert W. Yount of the Massachusetts State College. All the eggs were carefully inspected and candled and given a numerical score on the basis of quality, and the price charged was recorded.

The investigators found eggs of both high and low quality in every price group. Generally the lowest priced eggs were lowest in quality, but high prices did not necessarily guarantee high quality. Quite often, eggs that sold at the very highest prices were no better in quality than eggs which sold at moderate prices.

Privately owned groceries were charging an average of three cents a dozen more than chain stores, but the general quality of the eggs was found to be higher. The average quality of eastern-produced eggs, it is said, was invariably higher than that of eggs shipped from the western states. Cold storage eggs varied greatly in quality, regardless of price, although weight seemed to be closely related to the price charged.

The only uniform thing about eggs sold under distributor's trade names or brands was the price, the investigators report. The very poorest dozen of eggs found in the survey, a dozen almost unfit for food, was sold under a brand name for the same price as others of very good quality.

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VERMONT REPORTS ON  
POTATO CERTIFICATION.

A tentative report of this season's seed potato certification work in Vermont shows slightly over 600 acres as having passed final inspection, compared with 791 last year, and 436 in 1930, according to Harold L. Bailey, inspector, Seed Potato Certification Service, Vermont Department of Agriculture. About 75 per cent of this year's acreage was of the Green Mountain variety and the remainder Irish Cobblers.



CALIFORNIA STUDIESWALNUT PRODUCTION COSTS.

A summary of four years of production cost records for walnuts grown in Ventura County, California, has been completed by California Extension Service. The data cover the years 1928 to 1931 inclusive. The fifth year of the study is now under way.

The study, covering a total of 233 acres, shows that last year was the lowest in average production, and in quality, for the last five years. Average returns over cash costs per acre were \$68.52, with total returns per acre of \$145.34. This was much less than for two preceding years. Total cash costs in 1931 averaged \$76.82, including \$20.17 for cultural labor costs, \$18.63 for harvesting expenses, \$13.63 for materials, and \$24.46 for overhead labor expenditures.

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NEW JERSEY INSPECTSONE MILLION CHICKENS.

Nearly one million chickens have been inspected for breed type and blood-tested for pullorum disease by New Jersey Department of Agriculture since the beginning of its poultry standardization work in 1923. A report by the Bureau of Markets of the department shows that applications for the inspection of 100,000 chickens this fall have been received from poultrymen throughout the State.

The bureau says that by emphasizing the importance of egg uniformity and high production, the poultry standardization work is benefiting the State's egg industry. Standardization of meat production birds is carried on principally in Burlington, Camden, Salem, Mercer, Monmouth and Middlesex counties, where poultrymen have made a specialty of the production of fattened table fowl.

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NEW YORK AMENDS SEEDLAW, EFFECTIVE AUGUST 1.

An amendment to the seed law in New York State, effective August 1, controls the use of the words "certified", "registered-certified", "registered", "verified", and any other descriptive word or terms used to designate special quality in seeds.

"Organizations of farmers, who were growers of special high-quality seeds which were sold under the classification of 'certified' or 'registered', according to Prof. M. T. Munn of the Geneva Experiment Station, "heretofore were seriously handicapped by unscrupulous or careless agencies who used the same terms, but without meaning." The new law prohibits the use of any terms or words describing special qualities of seed stocks unless the seed stocks are genuine and have been certified or registered by an official organization approved by the Commissioner of the Department of Agriculture and Markets at Albany.

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A SUMMARY of the apple export season, 1931-32, including a brief summary of the pear, plum and grape seasons, as prepared by F. A. Motz, fruit specialist in Europe, has been issued in mimeograph by the Federal Bureau of Agricultural Economics.



NEW ENGLAND CREDIT  
CORPORATION IS ORGANIZED.

Organization of a regional agricultural credit corporation for New Jersey, New York and the New England States was favored by New Jersey agriculturists and bankers, September 13, at a conference in the offices of the New Jersey Department of Agriculture at Trenton. The proposed corporation would be the means through which the Reconstruction Finance Corporation would extend credit to farmers in the states concerned, principally for the purpose of promoting the orderly marketing of agricultural commodities. It was the consensus of the group that credit extended through the proposed corporation would be a valuable supplement to that provided by banks and other existing credit agencies. The capital of the proposed credit organization, which would be known as the "Regional Agricultural Credit Corporation in the First Federal Land Bank District," would be not less than \$3,000,000 subscribed by the Reconstruction Finance Corporation.

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BUYER HELD TO HAVE ACCEPTED  
CAR IN PERISHABLES CASE.

The Secretary of Agriculture has ordered J. P. Krapf & Son of Hazleton, Penna., to pay \$391.56 to H. S. Denison & Company of Freewater, Oregon, as the result of a hearing held under the Perishable Agricultural Commodities Act.

Denison sold Krapf a car of prunes and, before its arrival at Hazleton, Krapf gave instructions to Denison to divert the car to Scranton. After arrival at Scranton, Krapf again instructed that it be sold for his account, whereupon Denison ordered the car diverted to New York City.

The Secretary held that such action on the part of Krapf & Son constituted acceptance of the car and that they were liable for the amount of reparation claimed, which represented the difference between the contract price and the net proceeds of the sale at auction, plus the brokerage of \$25.

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REPARATION AWARDED ON  
SEVEN CARS OF GRAPES.

The Secretary of Agriculture has ordered Louis Horowitz, of Detroit, to pay \$1,950.21, with interest, to Stoerk Distributing Co., of Chicago, as the result of a hearing under the P.A.C. Act.

This case involved seven cars of grapes, which were rejected by the respondent upon arrival at destination. Respondent claimed that he rejected the grapes because they were not of the character and quality specified by him in his negotiations with the complainant. Testimony on behalf of the Stoerk Distributing Company showed that the grapes were purchased for Horowitz, f.o.b. Chicago, in accordance with instructions. It also showed that Horowitz was duly notified of the purchase price of the grapes and that they were inspected by the Stoerk Distributing Company's regular inspector.

The Secretary held that the weight of the testimony in the case sustained the contention of the Stoerk Distributing Company and that the rejection was without reasonable cause. The reparation awarded represented the difference between the original prices of the cars and the amount realized on resale.



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### CONNECTICUT WARNS POULTRYMEN AGAINST "SHORT WEIGHT RACKET".

Connecticut Department of Agriculture is cautioning farmers and poultrymen in that State against dealing with a live poultry buyer who is operating a "short weight racket". The buyer offers to buy birds at a good price and after they have been loaded, tenders a check in payment. If the poultryman objects to the check, the buyer exhibits cancelled checks for much larger amounts from influential poultrymen, stating that if these men will accept his checks, then certainly the seller should have no doubt as to the buyer's reliability. When the buyer returns to town he stops payment on the check and writes the poultryman that this action has been taken because he did not weigh the birds when bought, and that upon getting home he had found the lot short a certain number of pounds. The poultryman is asked to send the protested check to the bank upon which it is drawn and is told that a new certified check will be returned, less the amount of the shortage. In addition to the loss of weight, the poultryman loses the protest fee of \$2.

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### CALIFORNIA REPORTS LOWER CITRUS COSTS.

A reduction of \$47.41 an acre in the cultural costs of producing oranges in California last year, brought the cost down to \$226.08 per acre up to picking, according to the California Citrus League, reporting the results of a cost survey. Costs last year, it is stated, were most nearly comparable to those in 1924, and with the exception of that year it is necessary to go back to 1920 to find a lower expenditure. The 1931 yield was comparatively heavy so that per box costs were the lowest since 1920: Reductions occurred in practically all cost items, particularly on fertilizer, soil handling, and pest control. Cultural costs per packed box are reported at \$1.813; handling costs, including picking, hauling, and packing, at .732 cents; selling and advertising, .130 cents. The total f.o.b. cost, including selling, was \$2.675 per packed box.

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### IDAHO CONCLUDES STUDY OF CREAM STATIONS.

The results of a study of 122 cream stations as marketing agencies for butterfat in the Idaho dairy industry have been published by Idaho Experiment Station in Bulletin 193, entitled "Efficiency of Cream Stations in Cream Collection." Copies may be obtained from that Station.

U. S. Dept. of Agriculture Library.  
Attn., Miss Trolinger,  
4 K Washington, D. C.



## CONTRACT LAMB FEEDING HAS LIMITATIONS

By W. G. Kammlade, Illinois  
College of Agriculture.

Shortage of credit, cheap feed and unsatisfactory prices to the grower for feeder lambs are some of the things creating much interest in contract feeding of lambs. Various types of contracts are offered to meet different conditions and the desires of feeders and growers. Probably most of these will prove equitable to both parties concerned. In order to be equitable the contract must be based on a full consideration of all the factors involved in the feeding of lambs. Such things as quality of the lambs, weight, shrinkage, death loss, overhead, marketing expense and feed cost of grain, require consideration.

Some farmers have been enthusiastic about contract feeding when first approached because it "sounded good to them" to get lambs to feed without having to buy them. Far more than this is involved in the contract, for there are certain obligations to be fulfilled. Furthermore, not everyone will prove to be a satisfactory feeder from the standpoint of the grower or owner of the lambs. In many instances of dissatisfaction on the part of both parties, the feeder has had no previous experience with lambs. The contract used may have been equitable, but a barn full of cheap feed does not fatten lambs. An abundance of low-priced feeds may make it seem attractive to feed lambs, but successful feeders feed them as a definite and reasonable phase of their farming practice. Through considerable experience they have solved the intricacies of starting the lambs on feed, of quickly detecting and treating minor ailments, of noting changes in appetite and adjusting the ration accordingly and of being able to know how their lambs are doing and when they are finished and ready for market.

With corn at 25 cents a bushel and alfalfa or clover hay at \$6 a ton, the feed cost for 100 pounds gain in dry lot feeding will amount to about \$3.. To this must be added about an equal amount to cover overhead, shrinkage and death loss. This will bring the total cost to the feeder of one hundred pounds gain to \$6.

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IDAHO TELLS FARMERSHOW TO PLAN THEIR BUSINESS.

Idaho farmers are being advised that they must plan their business at least one year ahead, and they are being told how to do it, in Bulletin 188, entitled "Planning the Farm Business for the Year Ahead", just issued by the experiment station in that State.

The authors of the bulletin, - Paul A. Eke and Ezra T. Benson, - say that "the best method of planning the farm business is to use a written budget in choosing crops and livestock enterprises and in making up the production program." They list reasons for budgeting, important uses of the farm budget, order of procedure in budgeting, farm accounts and the budget, and methods for computing acreages to fit certain rotations of crops and kinds of livestock.

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"MARKETING MICHIGAN ONIONS, 1931-32 Season," has been issued in mimeograph by the Bureau of Agricultural Economics.



## INDIANA FARM INCOMES FOR 1931

By T. G. Hornung, Indiana  
Extension Service.

Seven hundred and sixty-two farm records kept by Indiana farmers during 1931 were summarized by the Department of Farm Management at Purdue University. The summary reports giving a detailed analysis of these accounts were published in ten reports based upon type of farming areas. In areas where there were more than 100 records, separate reports were prepared according to size of farms, reports being prepared for small, medium-sized and large farms.

These 762 Indiana farms lacked an average of 1.8 per cent of earning interest on investment. This figure was calculated after allowing for all cash and non-cash expenses including building, fence and machinery depreciation, livestock and feed inventory decreases, unpaid family labor and operator's labor at \$500 per year plus \$15 per month of labor for living furnished by the farm. If, on the other hand, five per cent interest is allowed on the average farm investment of \$19,985 these farms lacked \$875 of returning the operator any income for his labor.

Average earnings for the different type of farming areas varied from -.001 per cent in the Northwest Indiana Dairy farming area to -3.2 per cent in the Southeast Central corn, wheat and hog producing area. There was very little difference in the average earnings of these groups of farms of different sizes, although the organization of small and large farms differs widely. Individual farmers, therefore, find the analysis on their farms of greater value when comparison is made with other farms of near the same size.

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NEW MEXICO HOLDSCATTLE GRADING MEETING.

The regular series of cattle grading demonstrations, conducted in New Mexico by J. K. Wallace, marketing specialist of the Federal Bureau of Agricultural Economics, and Dr. W. L. Black of the Extension Service, August 16 to September 8, "was one of the most successful series of meetings, from the standpoint of the cattlemen, that has ever been held in the State," reports New Mexico Extension Service. Mr. Wallace graded cattle and discussed outlook and trends in the cattle industry. Dr. Black discussed diseases of cattle. Seventeen meetings were held.

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INDIANA FARMERSSTUDY MARKETING.

Indiana Extension Service is conducting a series of livestock market tours for Indiana farmers so that the latter may better understand how their livestock is handled and sold, and learn the kind and quality of livestock demanded by the present-day market. Seven tours were conducted during the past month, four on the Indianapolis market, and three on the Cincinnati market, with an average attendance of 56 farmers. Points stressed included operation of the market, market demands, grades and prices, outlook, marketing problems, and producer responsibility.



MOTOR TRUCK MOVEMENT  
TO CLEVELAND INCREASES.

Motor truck movement of onions, cantaloupes, and watermelons from Indiana to the Cleveland market; of peaches and pears from Michigan; apples, pears and potatoes from New York, and huckleberries, plums, and cauliflower from Pennsylvania has increased markedly, the Cleveland market receiving supplies from these points almost entirely by motor truck, according to A. B. Farlinger of the Bureau of Agricultural Economics. He reports that on September 9, the railroad report showed 14 cars arriving during the preceding 24 hours, and a total of 44 cars on track, "a situation that probably has not existed on the Cleveland market for years. This indicates," he adds, "the rapid increase in the truck movement of fruits and vegetables from the main producing sections, and the shifting from railroads to trucks as a method of transportation."

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DAMAGES AWARDED FOR  
"FAILURE TO DELIVER".

The Secretary of Agriculture has ordered the Agricultural Exchange, Pittsburgh, Pa., to pay Wishnatzki & Nathel, New York City, \$368.68 with interest. Wishnatzki & Nathel complained that they bought from the Agricultural Exchange 2 carloads of peaches, f.o.b. California; that they paid bank drafts on both cars but that, when they instructed the railroad to deliver the cars to the auction, they were informed that the cars were not consigned to them; that they thereupon communicated with the Agricultural Exchange, which advised them that the sales had been confirmed in error and that the Exchange was unable to make delivery. It was further claimed that, because of failure to deliver the cars, Wishnatzki & Nathel suffered loss and were damaged in the sum of \$368.68, this amount being based upon prices, less freight and other charges, which were realized on two cars of peaches of the same brand, variety, and size sold at auction on the same day the two cars in question would have been sold. The Agricultural Exchange did not deny these allegations but claimed that it had notified the buyers that it was unable to make delivery on the cars in question, and hence felt that it had not violated the Act. The Secretary held that failure to make delivery was without reasonable cause and hence in violation of the Act, and that the complainant's claim for loss and damage should be allowed.

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ABOUT 7,054 inspections of fruits and vegetables were made during the last fiscal year ended June 1932, in 354 markets in which the Bureau of Agricultural Economics does not maintain offices. Total inspections in all cities were 53,241. Most of the inspections made in markets where no office is maintained were in Jersey City, with a total of 4,129 inspections. The State of New Jersey as a whole reported, 4,711 inspections in outside markets; Connecticut 574, Ohio 365, Texas 331, Massachusetts 207, New York 206, and Pennsylvania 125.

A LIST of State official serial publications containing material on agricultural economics has been issued by the Bureau of Agricultural Economics as Economics Bibliography 38.



# MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

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### CHICAGO OUTLOOK CONFERENCE

#### URGES LOWER PRODUCTION COSTS

Thirteen mid-western States were represented at an outlook conference held at Chicago, September 14 to 16, under the leadership of the Extension Service of the United States Department of Agriculture. Men from individual States reported generally good crops with the exception of local drouth areas which seem to be particularly bad in parts of Ohio and Wisconsin, an increase in interest in livestock feeding, generally low prices, and a considerable interest in the tax situation.

In a session dealing with individual farm adjustments, Prof. H. C. M. Case of Illinois College of Agriculture emphasized the desirability of keeping the present farmers on the land even if annual payments had to be adjusted to a rental basis during the emergency period; Prof. Sherman Johnson of South Dakota emphasized the necessity of reducing fixed costs, particularly taxes; Prof. G. F. Warren of New York stressed the fact that the range in farm earnings was as wide as in other periods, indicating the importance of good management practices, and Prof. C. R. Arnold of Ohio emphasized the desirability of dealing direct with consumers wherever this was practicable under existing conditions.

Increased interest in cattle feed was interpreted as indicating a prospective increase in supplies of beef as soon as some of the short-fed cattle are returned, and it was brought out that the long time outlook is for an increasing supply of beef as the number of cattle on farms has been increasing for several years. A general expansion in hog production stimulated by cheap and abundant corn was indicated, and it was said that the dairy industry apparently faces an increase in output.

Dr. Warren of Cornell, discussing the relationship between the world monetary situation and price levels, declared that the most important factor governing the price of any farm product at a time like this is the general price level. The general price level, he said, is determined by the production of all commodities, the demand for all commodities, the supply of gold, and the demand for gold. He expressed the opinion that "some recovery from the absurdly low levels to which farm prices had fallen was inevitable, but a general price level 'substantially below' prewar was most probable unless there was a reduction in the demand for gold."

Dr. L. H. Bean of the Federal Bureau of Agricultural Economics discussed the demand for agricultural products and the business situation. He said that the marked increase in wheat and pork production outside of United States in recent years has made it difficult for this country to export these products. He declared that low prices for meats and dairy products will continue until employment should begin to expand.



PENNSYLVANIA SEES OPPORTUNITIES  
FOR EXPANDING EASTERN EGG MARKETS.

There are probably more chances for development of greater efficiency in production, and of wider markets, in the egg business than most other lines of agricultural endeavor, says Pennsylvania Bureau of Markets.

The bureau says that fully fifty per cent of all eggs going to market are below the two-ounce standard which the housewife commonly refers to as "nice, large eggs." Since 1920, it is stated, the receipts of selected quality eggs in New York City are estimated to have increased from one-twentieth to almost one-half of the total. In the past, large quantities of these fine eggs came from the Pacific Coast due to the great care exercised there in production and marketing. Now, Pennsylvania poultrymen, through their selection of flocks, adoption of standard egg grades, establishment of egg auctions, etc., are beginning to meet successfully this Western competition, says the bureau.

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CALIFORNIA SEEKS GRADES  
FOR RABBIT FUR.

Efforts to establish a set of standards to be used in the grading of rabbit fur are being made by Dr. A. W. Bellamy of the University of California. The work is preliminary to an attempt which will be made later to produce a new breed of rabbit that will be superior in fur quality and of a size sufficient to make it profitable to market it for its meat.

Dr. Bellamy says there must be standards established for fur density, for the fineness and texture of the hair, and for the wearing quality of the fur.

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MASSACHUSETTS APPLE MARKETING  
GIVES UNEMPLOYMENT RELIEF.

A group of sixty-five unemployed men in Worcester, Massachusetts, were set up in the apple selling business in the winter of 1930-31, assisted by the Worcester county extension service, the Chamber of Commerce, and the city Welfare Board. Fred E. Cole, fruit specialist of the county extension service, sponsored the project and supervised its operation. An unemployed man with executive experience was made superintendent of the business; an unemployed bookkeeper kept the accounts, and an unemployed truckman and truck were engaged to make deliveries to the vendors.

Each vendor was assigned a stand at some point in the city or at a factory on the outskirts. Only apples of the highest quality were sold. From December to April, sales aggregated 4,255 bushels of locally grown apples and about 145 boxes of oranges, grossing \$20,474. The vendors had a profit of \$11,229. The following winter, the force of vendors had to be reduced to thirty, because many of the factories were closed, but sales amounted to a little more than \$15,000, with profits of almost \$6,500 to the vendors.



NEW JERSEY REPORTS ON  
PRODUCE INSPECTION SERVICES.

Five hundred twelve carloads and truckloads of New Jersey fruits and vegetables were inspected for grade during the fiscal year ended June 30 last, by New Jersey Bureau of Markets. The total included 223 carlots and truckloads of potatoes, 168 of apples, 33 of beans, 24 of peaches, and 23 of strawberries. Inspection of apples was largely of stock intended for export, 134 of the 168 lots inspected having been destined for foreign markets. The stock inspected for export totaled 44,825 bushels, all of which went to the United Kingdom and Continental Europe. Approximately 52 per cent of this volume consisted of summer apples, which were on the foreign markets when rates of exchange were at par.

Inspection of cannery tomatoes was carried on for the third year at a Bridgeton canning plant where 2,960 loads or 5,730 tons of cannery tomatoes were inspected. The tomatoes were bought at a flat rate and the grading certificates issued by the bureau were used in some instances to effect equitable adjustments between the grower and the canner on loads of inferior quality.

To facilitate the operation of produce auction markets, the bureau made grade inspections of fruits and vegetables at markets at the request of buyers. A total of 18,691 packages of snap beans, 783 packages of onions, 2,393 packages of lima beans, and 4,954 packages of strawberries were inspected at the Cedarville Auction market.

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SOME ILLINOIS FARMERS INCREASE  
PROFITS IN BAD TIMES.

Twenty-five farmers out of a group of 130 who kept records and accounts in cooperation with Illinois College of Agriculture increased their net earnings by an average of more than \$1,200 a farm a year in 1929 and 1930 over earnings in 1925 and 1926.

M. L. Mosher of the farm organization and management department of the college says that higher acre yields of crops accounted for more of the increase in net earnings than any other single factor. An average increase of more than five bushels of corn an acre and proportionate increases in yields of other crops were brought about mostly by attention to soil improvement practices, introduction of higher yielding strains of seed, more careful storage and preparation of seed, more careful seed bed preparation and cultivation and similar practices advocated by the agricultural college. The selected group showed high efficiency in handling livestock. Mr. Mosher adds that lower operating costs, especially for power and machinery, was the third most important factor in the improvement of these farms.

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"FARM PLANNING for Increased Efficiency and Better Incomes on Mississippi Farms," is the title of Bulletin 64 recently issued by Mississippi Agricultural Extension Department. The bulletin deals with principles of farm management and farm records, and farm planning to meet changing conditions.



MUST PAY FOR ORANGES

The Interstate Fruit Distributors of Riverside, California, sold E. H. Eskew & Son of Los Angeles two cars of oranges for shipment in interstate commerce. Payment for the cars was not made but Eskew tendered notes in payment of the amount due, which notes the Interstate Fruit Distributors refused to accept. As a defense in a hearing under the Perishable Agricultural Commodities Act, Eskew set up certain counterclaims on other cars of oranges. Apparently no demand prior to the hearing was made on the complainant for the amount stated in the counterclaims, and on two of the claims it did not appear that the losses mentioned represented sums paid by Eskew.

The Secretary of Agriculture held that the cars in question were inspected and accepted by Eskew before shipment; that the counterclaims presented by Eskew were not valid, and that Eskew, therefore, should pay the amount due on the two cars in question. Damages in the sum of \$1,543.90 represented the contract price of the cars.

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"PRICE DIFFERENCES Between Four Hog Markets Used by Illinois Stockmen," is the title of Bulletin 380, recently issued by Illinois College of Agriculture. The study covers hog prices on the Chicago, East St. Louis, Indianapolis, and Cincinnati markets for the years 1926-31. Some suggestions are made as to methods of reducing intermarket variations.

"PRESENT-DAY AGRICULTURE IN ARIZONA," has been issued as Bulletin 141 by the University of Arizona. The publication was prepared with a view to answering the many inquiries that are received by the college, largely from farmers in the East and Northwest, regarding farming conditions and livestock growing in Arizona.

"RESEARCH IN PROGRESS in the Bureau of Agricultural Economics, July 1, 1932," is described in a mimeographed report recently issued by that bureau. Other mimeographs recently published by the bureau include "Effect of the Seasonality of Agriculture on Iowa Banking," and "Grape Varieties, Yields, Production Costs, and Cost of Maintaining Vines and Trellis in New York, Pennsylvania, Michigan, and Arkansas Vineyards."

ENCOURAGED by the revival of the turkey growing industry in New Jersey, in recent years, more than 150 turkey growers from all sections of the State will meet at Manalapan on October 1 to discuss feeding, marketing, breeding, and other subjects of interest to turkey growers.

"WHAT OHIO FARMERS Think of Farmer-Owned Business Organizations in that State," is the title of Circular 241, recently issued by the U. S. Department of Agriculture. It is based upon studies by the Bureau of Agricultural Economics in cooperation with Ohio State University and the Federal Farm Board.

ILLINOIS College of Agriculture has recently issued a circular entitled "Reducing Costs of Corn Husking".



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NEW ENGLAND COMMITTEE  
TO STUDY ROADSIDE STANDS.

A committee which will investigate the possibilities of roadside stands in New England was appointed at a meeting of the New England Marketing Officials Association on September 22. Members of this committee are D. J. Clark, president, Rhode Island Farm Bureau Federation; Dr. G. B. Clarke of Connecticut Agricultural College, and Secretary Underwood of the Agricultural Committee, New England Council.

Sidney A. Edwards of the Connecticut Bureau of Markets announced that a second grade on turkeys will be used in that State this year, to identify native turkeys which, because of small defects, will not meet the requirements for "Fancy" grade.

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ALABAMA REPORTS COTTON  
QUALITY HAS IMPROVED.

A marked improvement in quality of the cotton crop this year in Alabama is reported by Alabama Experiment Station, which attributes "this achievement" to "cooperative work among county agents, bankers, merchants, farmers, spinners, teachers of vocational agriculture, Alabama Department of Agriculture and Industries, Alabama Industrial Development Board, the Farm Bureau, and others."

The Station reports that systematic work for the improvement of the staple of Alabama cotton began in 1929. That year, 44 per cent of the cotton produced in the State was untenderable. This was reduced to 38 per cent in 1930, and this year it is said to be 15 per cent. This improvement in quality, according to the Station, has removed most of the prejudice held by spinners and buyers against Alabama cotton, and is enabling Alabama spinners to buy the cotton they need without having to go outside of the State to get it. Seed farms have been established throughout the State as a continuous source of pure seed.

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NEW JERSEY TO BUY  
DAIRY CATTLE DIRECT.

A plan whereby New Jersey farmers would be able to buy desirable dairy cattle "at reasonable prices" direct from farmers in Wisconsin was endorsed by the New Jersey Dairy Committee at a meeting at the New Jersey Department of Agriculture at Trenton, September 30. Cows would be bought on the basis of their actual production records and butterfat tests. Last year, 30,000 cattle were shipped into New Jersey.



WISCONSIN SAYS DAIRY  
PLANTS MAKING MONEY.

Wisconsin Department of Agriculture and Markets says that "notwithstanding claims of losses on milk made by milk distributors, the department finds after investigating the milk situation in Milwaukee and in Madison that the dairy companies investigated showed substantial profits during the years of depression 1930, 1931, and the first few months of 1932."

Six representative dairy plants were investigated, and the inquiry was confined to the Madison and Milwaukee milk markets because these markets are considered as representative, and are the oldest and best established markets in Wisconsin. They exert an important influence on price computations for other milk markets in the State.

The department reports that "it appears from the investigation that, while the profits of the dairy distributors over this period (1929 to 1932) had been maintained at former levels, profits in other industries have been downward with few exceptions. Profits in the dairy industry have been kept in line with sales values even though the commodity price trends were downward.

"Distributors claim that while they made profits on dairy products, particularly cream, they suffered losses on the distribution of milk. The apparent losses on the distribution of milk result from the fact that the plan of payment to the producers calls for a relatively high price for milk for city consumption, and a relatively low price for milk to make cream and manufactured products. Regardless of the merit or demerit of this two-price system as a paying plan, it is misleading when used for computing costs. The distinction between milk for fluid purposes and other milk is artificial and if the artificially high fluid price is used in computing costs for milk sold, an artificial loss on milk appears."

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CALIFORNIA THINKS TURKEY  
PRICES MAY BE LOWER.

Turkey prices may be somewhat lower at Thanksgiving this year than last, in the opinion of W. E. Lloyd, California College of Agriculture, who says that turkey holdings (in storage) on September 1 were 16 per cent under the five-year average ending in 1931, but 28 per cent larger than holdings a year ago. "There will be no drastic reduction in prices," Mr. Lloyd believes, "but the prices likely will be a few cents under those of 1931. Turkeys sold wholesale last year at 32 to 36 cents a pound at Thanksgiving."

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TENTATIVE STANDARDS, market classes and grades for butcher and country green salted cattle hides, have been issued by the Bureau of Agricultural Economics.

RULES AND REGULATIONS governing the inspection and certification of beans and peas have been issued by the Bureau of Agricultural Economics.



LOUISIANA TELLS FARMERSNOT TO SHIP INFERIOR PRODUCE.

Louisiana farmers are being advised by Louisiana Extension Service that "no attempt should be made to sell any sweet potatoes that have not been graded closely and according to the highest grading standards," because "poor stock will hardly pay freight this year and it will have a higher value at home as feed for livestock than it will if sent to market." The crop in Louisiana is said to be 17 per cent bigger than last year's.

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ILLINOIS COMPUTES COSTSOF RUNNING FARM TRUCKS.

Farm trucks, of which there are more than 40,000 in Illinois, are operated at an average cost of \$188 a year, or 6.7 cents a mile, for the one ton and ton-and-one-half sizes, according to detailed cost studies by Illinois College of Agriculture.

Mileage on the trucks that were studied averaged 2,813 miles a year and the average load hauled was 2,825 pounds, giving a cost of 9 cents a ton mile, says P. E. Johnston of the farm management department. In travelling the 2,813 miles, the trucks consumed an average of 253 gallons of gasoline, which was at the rate of 11.1 miles a gallon. The average gas bill for the season was \$35.74, or 19 per cent of the total operating cost.

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POSTERS DEPICTVEGETABLE DISEASES.

A series of twenty-six colored posters illustrating the symptoms of diseases of tomatoes, potatoes, corn, peppers, and eggplant has been made available through the Superintendent of Documents at Washington, D. C., by the United States Bureau of Plant Industry. The price is five cents each, or when ordered in lots of 100 or more, a 25 per cent reduction will be allowed. Posters 1 to 13 are reprinted from U.S. Department of Agriculture Miscellaneous Publication 98; posters 14 and 15 are from Technical Bulletin 260, and posters 16 to 26 are from Miscellaneous Publication 121.

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RELATION OF DEBT TO VALUE  
ON MORTGAGED FARMS

Approximately 37 per cent of the mortgaged farms in the United States were indebted for more than half their value on January 1, 1932, according to the Bureau of Agricultural Economics. Twenty-five and four tenths percent of the mortgaged farms were indebted for 25 per cent or less of their value; 37.9 per cent were mortgaged for between 25 and 50 per cent of their value; 21 per cent for between 50 and 75 per cent of their value; 10.7 per cent were mortgaged between 75 and 100 per cent of their value, and 5 per cent were mortgaged for more than 100 per cent of their value.



COMPLAINT AGAINST  
FRUIT COMPANY DISMISSED.

The Omaha Fruit Company bought a car of good-sized, clean, branded Arkansas Triumph potatoes f.o.b. shipping point. Upon arrival at destination the car was inspected by a Federal inspector, who certified that, as to size, the potatoes were generally medium and, as to quality, fairly clean to clean. The buyer rejected the car and it was resold at a loss of \$29. He contended that the car was not in accordance with the contract and that its rejection was justified.

A complaint was filed by J. W. Strickland & Co., Hope, Arkansas, under the Perishable Agricultural Commodities Act, and after a hearing the Secretary of Agriculture held that the contract called for good-sized, clean potatoes; that a specification of good size, while indefinite, implied a larger size than medium; and that potatoes certified to be fairly clean to clean do not meet a specification of clean. He decided that the potatoes, therefore, did not comply with the contract and that their rejection was justified.

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UNITED STATES STANDARDS for citrus fruits have been issued by the Bureau of Agricultural Economics. They supersede U. S. Standards for Florida citrus fruits, and U. S. Standards for Texas citrus fruits, but they do not apply to California and Arizona citrus fruits.

"MARKETING FLORIDA TRUCK CROPS" has been re-printed by the Florida Department of Agriculture because of continuing widespread demand for this bulletin.

COPIES of the following radio talks are now obtainable from the Bureau of Agricultural Economics:

"General Crop Report," by Joseph A. Becker, Sept. 13.

"Small Grain Crops," by Joseph L. Orr, Sept. 13.

"September Conditions of Corn, Hay, Tobacco and Beans." S. A. Jones, Sept. 13.

"September 1 Prospects for Fruits and Vegetables," by Paul L. Koenig, Sept. 13.

"The Hog Outlook," by G. B. Thorne, Sept. 13.

"Feed Outlook, 1932-33," by F. J. Hosking, Sept. 15.

"The Trend of Milk Production," by J. B. Shepard, Sept. 15.

"A Land Use Program for the Appalachian Highlands," by L.C.Gray, Sept. 15.

"September Lamb Markets," by C. L. Harlan, Sept. 19.

"September Cattle Markets," by C. V. Whalin, Sept. 19.

"The Price Situation," by A. G. Peterson, Sept. 19.

"THE OUTLOOK FOR MANUFACTURED DAIRY PRODUCTS", a statement presented at the National Cooperative Milk Producers Federation Conference, at San Francisco, Calif., October 3, by E. W. Gaumnitz, is obtainable in mimeograph from the Bureau of Agricultural Economics. Other reports now obtainable from that bureau are: "Marketing Soybeans, Basis U. S. Standards," by J. E. Barr; "Farm Real Estate Taxes, 1913-1930, New England States," and "World Apple Production and Trade," by A. C. Edwards.



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### CONNECTICUT REPORTS EARLY TURKEY MARKETING SEASON.

Connecticut Department of Agriculture expects the turkey marketing season on native stock to open up earlier than usual this season, with sales heavier than last year during the month of October and early November. The department says that the Connecticut turkey crop has increased somewhat over last year, and that several growers have reported turkeys from ten to fifteen pounds in weight at the present time. The opening price for Connecticut Native Fancy Turkeys has been established at 40 cents wholesale and 50 cents retail, by the Connecticut Turkey Producers Association. The wholesale price is ten cents a pound less than in 1931, and the lowest in recent years. A second grade for turkeys, recently established by the Connecticut department, will be known as Connecticut No. 1 Grade Turkeys.

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### YAKIMA VALLEY POTATOES BEING WASHED THIS YEAR.

The practice of washing potatoes has increased markedly in the Yakima Valley this season, one observer reporting recently to a Yakima representative of the Bureau of Agricultural Economics that "probably not more than a dozen carloads have come out of the Yakima Valley this year unwashed." Some of the washing machines merely sprinkle the potatoes, but others are reported to be capable of actually cleaning stock which is caked with heavy, clay-type soils. It is stated that washing, in addition to making the stock clean, bright and attractive, results in improvement in the higher grades, since defects such as small decay spots and wire worms, which are not readily detected in stock as it comes from the field, are easily seen and graded out after washing.

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### NEW YORK WOULD PACKAGE HONEY IN ONE-POUND CONTAINERS.

Honey should be packaged in cheap tin and large glass containers in quantities familiar to consumers, - not less than one pound or multiples of pounds, - instead of, as at present, in containers of such size as to give consumers the impression that honey is a luxury, according to M. P. Rasmussen of New York College of Agriculture. Professor Rasmussen believes that the further development of cooperative marketing associations among beekeepers will probably be necessary to meet the selling problems of the industry, - to establish standards, advertise honey as a healthful food, and to develop export outlets.



MINNESOTA SEES GOOD  
OUTLOOK FOR POULTRY PRODUCTS.

Prospects for egg and poultry prices form one of the brighter parts of the farm outlook picture for the coming year, says W. B. Silcox, marketing specialist, Minnesota Extension Division. "Statistically at least," he declares, "the position of the egg market is now more favorable than at any time in the past several years." He lists lighter storage holdings of eggs, and smaller receipts of fresh eggs at the principal markets, in the current situation, and says "there is every prospect that the favorable ratio now existing between feed and egg prices will be maintained throughout the winter."\*\*Poultry offerings this fall should not be materially heavier than a year ago."

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TEXAS FINDS INEQUALITIES  
IN TAXATION SYSTEM.

"Gross inequalities in taxation", revealed in a recent study by Texas Experiment Station, "suggest the need for drastic changes, not only in our methods of assessment but also in the fundamental principles of our tax system," says L. P. Gabbard in Bulletin 458, just issued by the Agricultural and Mechanical College of Texas.

"Among the more important changes possible," he says, "are: broadening of the base of our tax structure so as to include a personal income tax to be substituted for taxes on intangible personal property, and reduction of the general property tax by the amount of revenue derived therefrom; selection of county assessors on the basis of competitive examinations under Civil Service rules; provision for central control and supervision of assessment by a state tax commissioner or commission; and requiring that much greater emphasis be placed on the technique of assessing individual properties."

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POTOMAC YARD PASSINGS  
SHOW DROP FOR SEASON.

Perishable commodities going to northern markets through Potomac Yard, Virginia, bulked approximately one-third less this season than last. Passings totaled 68,885 cars from October 19, 1931 through August 27, 1932, or 34,179 cars less than pasings from October 3, 1930 through August 29, 1931. Tomatoes and beans were the only commodities to show increases over the preceding season. Passings of peaches dropped 7,000 cars, and of potatoes, oranges, and grapefruit, about 5,000 cars each.

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MARKETING DEALS, mimeographed copies of which are now available from the Bureau of Agricultural Economics, include: "Marketing Wisconsin Potatoes, 1931-32 Season," "Marketing Colorado, Nebraska, and Wyoming Potatoes, 1931-32 Season," "Marketing Western New York Potatoes, 1931-32 Season," and "Marketing Shenandoah - Cumberland - Potomac District Apples, 1931 Season."



TEXAS STUDIES MECHANICAL  
HARVESTING OF COTTON.

Texas Experiment Station has found that the average total cost of harvesting, cleaning, and ginning a bale of cotton by machinery in North-west Texas was \$14.08 last year as compared with \$26.25 for hand snapping, or a difference of \$12.17 in favor of machine harvesting. The Station has been making a close study of the subject since 1927, and has just issued a comprehensive bulletin that deals with the history of the development of cotton harvesters, the testing of various types of harvesters, cleaning and ginning cotton harvested mechanically, the quality of cotton harvested by hand and by machinery, the relation of varietal characteristics to the efficiency of mechanical harvesters, and the development of varieties of cotton to meet the needs of mechanical harvesting. The book lists hundreds of patents that have been granted on cotton harvesters, beginning with a patent issued on a cotton picker, on September 10, 1850. The bulletin is No. 452, entitled "The Mechanical Harvesting of Cotton." Copies may be obtained from the Texas Station.

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OKLAHOMA TO REVISE  
COOPERATIVE LAWS.

A committee appointed by the Oklahoma Cooperative Council has asked Dr. R. A. Ballinger, in charge of marketing at Oklahoma Agricultural and Mechanical College, and A. W. Jacobs, extension marketing specialist, to assist in the preparation of a tentative draft of a proposed new cooperative marketing law which would supercede two laws now operating in the State. The objective is to eliminate many of the difficulties and omissions of the present laws, under which cooperatives in the state are operating.

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PERISHABLES ACT DECISIONS  
OBTAINABLE IN MIMEOGRAPH.

Decisions of cases under the Perishable Agricultural Commodities Act, in brief form, are to be published periodically in series by the Bureau of Agricultural Economics so that persons interested in these decisions may have a consecutive file on the subject. Issue No. 1 of the series, published on October 7, contains decisions rendered by the Secretary of Agriculture in eleven cases.

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CONNECTICUT MAY ORGANIZE  
GROUP ROADSIDE STANDS.

It is suggested by G. B. Clarke of Connecticut Agricultural College, following the establishment of a certified roadside marketing system in that State last May, that "it may be possible later to develop a type of roadside stand not as yet attempted, - a large stand or group of stands in one locality owned by a group of farmers in cooperation. Such a group would be able to supply a much greater volume and variety of farm products throughout the season than could be marketed by one farmer alone."



## OHIO FARM FORECLOSURES BY LIFE INSURANCE COMPANIES

By F. L. Morison, Ohio Experiment Station

On January 1, 1930, the total farm mortgage debt in Ohio was estimated at \$259,630,000. A survey recently completed by the Rural Economics Department showed that 28 life insurance companies held farm mortgages to the extent of \$58,248,000 on that date, or about 22 per cent of the total. The farm mortgage holdings of these insurance companies have decreased in recent years, the amount loaned in Ohio on farm mortgages in 1931 being less than two-thirds as much as in 1928.

The average amount still to be paid on these mortgages was \$5,147 on January 1, 1932, as compared with an average of \$5,489 per mortgage on January 1, 1929. Individual mortgages run from 4 to 29 years; about 30 per cent of them are for 5 years, 29 per cent for 10 years, 26 per cent for 20 or 21 years, most of the remaining loans being for 7, 12, or 15 years. Rates of interest range from  $4\frac{3}{4}$  to 7 per cent, the average being about  $5\frac{1}{2}$  per cent.

On January 1, 1932, 17 insurance companies owned a total of 731 farms in Ohio, totalling more than 110,000 acres. Ninety per cent of this land is in the western half of the State, with the greatest concentration in Paulding, Defiance, Union, Hardin, Madison, Putnam, Logan, and Highland Counties. In 1931, these insurance companies acquired 269 Ohio farms by foreclosure or by deed in place of foreclosure, as compared with 179 in 1929 and 58 in 1927. The total number of farms which these companies foreclosed on or acquired by deed in the 2 years 1930 and 1931 was about 4 per cent of the number on which they held mortgages January 1, 1930. Individual companies varied considerably in the ratio of foreclosures to mortgages.

Ninety-three of these foreclosed farms were reported as sold during 1931, at prices generally indicating a loss to the company. These sales undoubtedly have a depressing effect on the farm real estate market in western Ohio. Of the 731 farms to which these companies still retain title, 108 are being sold under land contract, with down payments ranging from \$100 or \$200 to one-fourth of the purchase price, and annual payments generally less than \$500. Most of the remainder of the farm are operated by supervised tenants under a crop-share system of renting.

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RESULTS of an economic study of farm organization in the Piney Woods farming area of Texas have been published recently in Bulletin 453 by Texas Experiment Station. This area comprises 23 counties in the northeastern part of the State, and the majority of the farms are operated by family labor. Topographic conditions do not permit the general use of large machinery; consequently these farms are small, the land in crops ranging from 35 to 45 acres.

"AN ECONOMIC STUDY OF THE PECAN INDUSTRY," Technical Bulletin 324, has just been issued by the Bureau of Agricultural Economics.



# MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

October 19, 1932

Vol. 12, No. 42

### VIRGINIA TO EXPAND MARKETING SERVICES.

Indications are that the Federal-State egg grading service in Virginia "will be enlarged materially within the next few months," according to J. H. Meek, director, Virginia Division of Markets. The certification of poultry flocks and hatcheries, also, will be "enlarged this season similar to past seasons, and expansion of the Federal-State tobacco grading service is expected. Mr. Meek says that inspection service on peanuts will be available again the coming season, and he is hopeful that greater use will be made of the service than in past years.

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### GRADE LABELS ON CANNED LIMA BEANS.

A cannery on the Eastern Shore of Virginia is having a representative of the Federal Bureau of Agricultural Economics supervise the packing of Lima beans at its plant to comply with the bureau's regulation that "in order to use the initials 'U.S.' before the grades on labels of canned fruits or vegetables, a representative of the United States Department of Agriculture must supervise the entire plant during the packing of the products, to insure the use of the proper raw stock as well as compliance with certain sanitary regulations. Samples of the finished product must also be graded before labeling."

The bureau says that the work on the Eastern Shore is the first service of this kind rendered, and that "it may have far-reaching results."

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### IDAHO TO REPORT ON ACCURACY OF OUTLOOK REPORTS.

Idaho College of Agriculture expects soon to issue a bulletin by C. O. Youngstrom, entitled "A Review of the Accuracy and Timeliness of Outlook Statements." The publication will review the outlook statements of the main agricultural products of Idaho, from 1924 to 1932. The material will be compiled in such a manner that the reader will be able to judge quickly the accuracy of the forecasts in the outlook statements.

Recently, the college issued bulletins entitled "Efficiency of Cream Stations in Cream Collection", "Planning the Farm Business for the Year Ahead", and "Hog Prices and the Hog Enterprise on Idaho Farms."

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### MICHIGAN ANALYZES FARM BUSINESS RETURNS.

The average net farm income on 925 farms in different type-of-farming areas in Michigan was \$117 in 1931, as contrasted with an average net farm income of \$600 on 771 farms in 1930, and \$1,434 on 426 farms in 1929, according to a report by Michigan Extension Service. It is explained that "net farm income" represents the amount of money that a farm operator has earned as pay for his labor and management and as interest on the capital investment. Should there be allowed a 5 per cent charge on the capital investment, the calculation shows that the average operator's labor and management wage on the 925 farms was minus-\$676 in 1931, as contrasted with minus-\$263 for 771 farms in 1930, and minus-\$585 for 426 farms in 1929. The figures include no credit for the value of the farm products retained for home consumption, which would average about \$300 for 1931, computing the value at farm prices.

The Service finds that farm incomes have become less each succeeding year since 1929 when the farm account project was begun. Some other conclusions are, that "in general, the smaller farms, from 60 to 120 acres, had the highest operator's labor and management wage in both 1931 and 1930; that during periods of steady or rising prices, the larger farms offer the opportunity to make the bigger net incomes, but that during periods of falling prices, or when climatic conditions are adverse, the larger farms stand the chance of incurring the greatest losses\*\*\*The two outstanding weaknesses on many farms, as observed from the individual farm records, were that they had a too small volume of business for the size of the farm, and a poorly organized business that was not getting maximum efficiency with their labor, power, buildings and machinery."

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### ILLINOIS APPRAISES COST OF SEEDING WHEAT.

Costs of seeding the indicated crop of 1,367,000 acres of wheat on Illinois farms this fall amount to more than one-third of what the crop would bring at present prices, according to cost of production records kept by twenty farmers in Champaign and Piatt County, says Illinois College of Agriculture. Seeding costs, it is emphasized, are only one-fifth of the bill which farmers must meet before they can begin counting profits on the wheat crop. It cost \$3.75 an acre, on the basis of 1931 figures kept by the twenty farmers, to get the wheat crop into the ground, not counting the cost of seed. With the normal yield of wheat in east central Illinois averaging 25 bushels an acre, the seeding costs 15 cents for every bushel harvested.

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COMMERCIAL mushroom growing, begun as a sideline at Kennett Square, Pennsylvania, about thirty-seven years ago, is now an industry involving a capital investment of \$10,000,000 for mushroom growing houses and equipment. The annual output of mushrooms in Pennsylvania is estimated at 16,000,000 pounds with a farm value of nearly \$5,000,000.



IOWA HOLDING EXTENSION  
CONFERENCE THIS WEEK.

Economic questions of interest to farmers will receive special attention at a conference this week of members of the extension service staff of Iowa State College, county agents, club agents, and home demonstration agents, on the Iowa State College campus.

Features among the discussions will include a new type of sliding scale cash lease, and the farm mortgage situation.

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CALIFORNIA SHOWS HOW  
FARMERS PROFIT BY RESEARCH.

A review of "accomplishments of the Giannini Foundation of Agricultural Economics" is presented by H. R. Tolley, director, in a booklet just issued by the University of California Press. In it, Dr. Tolley discusses the problems of market milk, analyzes conditions of poultry markets, presents the results of studies of livestock products and field crops, and gives an analysis of the world-wide trend in the supplies of raisins and currants. He tells what the Foundation has done in developing a prune marketing plan, how the canning peach industry has been aided, and of the research in farm management. Cost studies have been made in 38 counties. In conclusion, he says:

"Notwithstanding the breadth of the program we have just described\*\*\*the Giannini Foundation of Agricultural Economics plans to take up the study of other problems just as soon as limitations of personnel and funds will permit. Our research is now, and will continue to be, directed toward the solution of the pressing economic problems confronting California farmers." Commodities discussed in the booklet include milk, eggs, honey, livestock products, field crops, and fruit. Other economic research deals with farm management, land utilization, agricultural finance and taxation, plant and animal quarantines, and rural sociology.

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MARYLAND FARM LAND  
VALUES ABOVE PRE-WAR.

Maryland farm lands have continued to decrease in value during the past year, although they are still in excess of the valuation placed upon them in the pre-war period of 1912-1914, according to Richard C. Ross, agricultural statistician for the Maryland Crop Reporting Service. The value of all lands with improvements, in Maryland, March 1, 1932, based on the pre-war level is estimated to have been about 14 per cent under the value reported on March 1, 1931, and 17 per cent below the value reported for the years 1929 and 1930. On the other hand, it is still 6 per cent above the valuation of 1912-1914.

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WHENEVER production of hogs in the 11 Western States has been 12 per cent or more above the average trend, the price at Portland, Oregon, has dipped below the price at Chicago, says Idaho College of Agriculture in a bulletin on hog prices in the Pacific Northwest.



NEWS BRIEFS

WHAT the agricultural experiment stations are doing, what service they are rendering to agriculture and rural life, and what the work costs is detailed in the Report on the Agricultural Experiment Stations, 1931, recently issued by the United States Department of Agriculture.

SPECIMENS of the pink bollworm having been found in a cotton field in Columbia County, Florida, and in gin trash at gins at High Springs and Lake City, Florida, the Secretary of Agriculture has ordered a hearing at Washington, D.C., October 24, to consider whether quarantine restrictions will be needed to prevent the spread of the insect.

CONSUMPTION of Federally inspected slaughtered beef and veal the first eight months of this year was 8 per cent less than in the same period last year, but consumption of pork increased 4.3 per cent, and of lard 7 per cent. Consumption of lamb and mutton was 2 per cent more than last year's.

SYSTEMS of export bounties for hog products have been inaugurated in the Irish Free State and the Netherlands, and the establishment of quotas for imports of lard and pork products is being advocated strongly in Germany.

FARM WAGES are the lowest in thirty years, says the Bureau of Agricultural Economics. Wages range from 60 cents a day without board in South Carolina, Georgia, and Mississippi, to \$2.50 a day in Massachusetts, the average for the country being \$1.19 a day.

"EFFECT of Solid and Gaseous Carbon Dioxide Upon Transit Diseases of Certain Fruits and Vegetables," is the title of Technical Bulletin 318, just issued by the U. S. Department of Agriculture.

"THE APPLE INDUSTRY IN NEW JERSEY", is the title of Circular 228, recently issued by New Jersey Department of Agriculture. The circular presents the latest available statistical information relating to the production and marketing of apples in New Jersey, in competing States, and in the United States.

IOWA State College is telling farmers in that State that "with corn around 15 cents a bushel and oats about 10 cents a bushel, the farmer can well afford to cut down on expensive protein feeds, such as alfalfa hay, and feed a larger proportion of corn in the ration to his dairy cows."

"TRENDS IN DAIRY FARM INCOMES" is the title of a special article in the September, 1932 issue of "Economic Digest", published by Connecticut Agricultural College.

EIGHT egg dealers in Pennsylvania recently plead guilty and were fined for selling stale eggs as fresh eggs.



STATE AND FEDERAL

# MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

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October 26, 1932

Vol. 12, No. 43

### OUTLOOK CONFERENCE FOR SOUTHERN STATES.

An outlook conference for the southern states will be held at Atlanta, Georgia, November 8 to 11, by the United States Department of Agriculture and southern state agricultural colleges. The opening session, under the chairmanship of C. W. Warburton of the Extension Service, will be featured by discussions regarding the demand for agricultural products, the agricultural credit situation, adjustments in the credit situation in southern states, and the business situation in 1932-33. Outlook committees will submit reports on agricultural credit, tobacco, fruits, truck crops, potatoes, rice, sugar, cotton, poultry, dairy, hogs, beef cattle, sheep, feed crops, farm labor, farm equipment, fertilizers.

The final day of the meeting there will be a round table discussion of outlook extension methods, and farm management extension methods; also reports on developments in marketing in southern states, direct marketing, the effect of changing means of transportation on problems of marketing, and developments in cooperative purchasing.

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### VIRGINIA MARKETS BUREAU SHOWS PROGRESS FOR YEAR.

An increase of 23 per cent in the volume of farm products inspected by Virginia Division of Markets during the past fiscal year as compared with the preceding year is reported by J. H. Meek, director.

Last year, 556,525,596 pounds of farm products were officially inspected in Virginia, compared with 5,174,276 pounds inspected the first year the service was available ten years ago. During the ten year period 2,651,051,212 pounds of farm products have been officially inspected, and \$440,124,14 collected in fees.

Mr. Meek says that "prior to 1922, all money spent by the Division of Markets was appropriated by the Legislature from the General Fund of the State Treasury. The first year the voluntary inspection service was available, receipts from fees charged amounted to two-tenths of one per cent of the total amount of money spent by the Division of Markets. Last year the voluntary fees received amounted to seventy per cent of the total amount of money spent by the Division. On some products, the volume of inspection has increased sufficiently for the fees to finance the expense of the service; on others, sufficiently to cut down materially the cost of supervisory and developmental activity. In such cases the fees have been reduced as far as practicable."

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IOWA FARMERS USING  
NEW TYPE FARM LEASE.

A number of farm tenants and land owners in Iowa are using a new type of cash farm lease in which the rent varies with the prices of the principal Iowa farm products, reports Millard Peck of Iowa State College. The plan is intended to eliminate the injustices which may occur to either landlord or tenant due to a rise or decline in prices after a farm has been leased.

The sliding-scale cash lease is based upon the average prices of the ten principal farm products during the year in which the lease is in operation. These products are hogs, cattle, corn, butter, oats, eggs, poultry, wheat, hay and sheep. The prices used in computing the averages are those which farmers receive at local shipping points as reported by several hundred crop reporters in Iowa.

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NEW YORK SUBSISTENCE  
GARDENS "SUCCESSFUL".

Yields of from twenty to forty dollars' worth of vegetables for each five dollars spent on 13,177 subsistence gardens in fifty-five New York state communities are estimated by W. E. Georgia, New York College of Agriculture. Most of the gardens produced at least twenty-two kinds of vegetables. Many of the crops are now in storage, and many have been canned for winter use. The subsistence gardens have been so successful, Mr. Georgia says, that many gardeners are already preparing for 1933, and many welfare districts that did not sponsor gardens this year are planning vegetable plots for next year.

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NEW JERSEY COLLECTS MUCH  
MILK MONEY FOR FARMERS.

More than \$18,000 owed to New Jersey farmers by dealers who had bought milk and produce on credit was paid to the farmers as a result of the functioning of the licensing and bonding division of New Jersey Department of Agriculture during the fiscal year ended June 30. Farmers' claims for an additional \$17,933 are in process of settlement through court procedure and negotiations with surety companies and dealers.

During the year, 362 produce dealers were licensed by the department, and filed bonds for a total of more than a million dollars. The department says that dealers in fruits and vegetables passed through the most disastrous year they had experienced in the past quarter of a century.

UNITED STATES GRADES for canned apple sauce, cream style corn, whole-grain style corn, grapefruit, lima beans, mushrooms, peas, pumpkins, squash, sauerkraut, snap beans, spinach, tomatoes, and tomato pulp are now available from the Bureau of Agricultural Economics. Many canners report that they will print grades on labels covering canned vegetables.

RULES AND REGULATIONS governing the inspection of hay and straw, effective January 2, 1932, have been issued by the Secretary of Agriculture.



### EXPECTS HOG PRICES TO FOLLOW BUSINESS.

Whether the hog price trend will be up or down during the coming year will depend largely on general business, in the opinion of W. L. Cavert, Minnesota Extension Division.

"The experience of the last three years," Mr. Cavert says, "has convinced nearly everyone that there is a decided inter-dependence between agriculture and other business. The probability is that there will be no sudden recovery in commodity prices in general. Rather we will gradually maintain a position of fuller employment and improved purchasing power. Therefore, it is doubtful if any considerable increase in hog prices can be expected for the coming year."

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### IOWA HAS PLAN FOR PAYING INTEREST ON FARM MORTGAGES.

Adjusting interest payments on farm mortgages to the price level of Iowa farm products is provided for in a plan worked out by Millard Peck, Iowa State College. J. D. Nichols, an attorney in Vinton County, and W. J. Kray, a farmer in Benton County are using the method for figuring interest payments for 1932.

The plan provides that the principal sum on which interest is charged should vary with the prices of farm products. When prices are high, the amount of money on which interest is paid is high, and when low the interest is low.

In working out the plan for Farmer Kray, it was assumed that the average land value in 1928 and 1929 was consistent with the farm price index of those years. It was assumed that the value of this particular farm was \$170 an acre in 1928 and 1929, when the price index was at 146. A price index of 146 means that farm prices were 146 per cent of pre-war, 1910 to 1914, prices.

During the first six months of 1932, the average farm price index was 57, and by a simple proportion it was determined that Kray should have to pay interest on only \$66 per acre, regardless of how much was still owed on the farm. Mr. Peck believes that the plan has much to recommend it over a proposed moratorium on all farm debts.

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### NEW JERSEY STRIVES FOR QUALITY IN MILK SUPPLIES.

New Jersey's so-called minimum code milk law is expected to result in a higher standard of quality of milk supplies, Prof. J. W. Bartlett of New Jersey Experiment Station told New Jersey feed dealers in annual meeting at New Brunswick, October 20. Under the law, all milk coming into New Jersey in competition with milk from New Jersey farms will be inspected. Of 66,779 farms which were shipping milk into New Jersey prior to July 1, it was stated that 15,000 have already been excluded as a result of inspection, and that several thousand more dairies will no doubt be added to the black-list as soon as more complete inspection can be made.



## PARAGRAPHS OUT OF THE AIR

"It is a curious thing," A. B. Genung of the Bureau of Agricultural Economics told the NEC radio audience on October 3, "that we were growing all this amount of crops back there twenty years ago and getting fairly good prices for them; yet now, with twenty-five million more people in the United States to feed and clothe we are growing about the same sized crops and they seem to be a drug on the market!"

"Probably the most spectacular foreign crop news of recent weeks has to do with fruit," L. A. Wheeler of the Federal bureau radiod on October 5. "About the middle of September a severe storm hit the apple growing districts of Nova Scotia and, according to reports from American Consuls in that province, reduced the Nova Scotian apple crop by probably as much as fifty per cent. Late September cables also confirm earlier advices as to reduced crops of apples and pears in European countries. And in Puerto Rico one of the best grapefruit crops in years was practically destroyed by the hurricane of September 26."

"The cotton crop forecast as of October 1 is 5,671,000 bales less, or about one-third less, than was produced last year, and about 22 per cent below average production during the last five years," declared V. C. Childs on the NBC hook-up October 10. The following day, W. F. Callander, Chairman of the Crop Reporting Board told the radio audience that "this has been one year in which, so far as crop growth is concerned, conditions have not been far from average for most of our crops."

"The corn crop will be close to the ten-year average," Dr. S. A. Jones informed the noon-day radio listeners-in on October 11. "The already poor prospects for the tobacco crop fell off still further during September." Joseph A. Becker came on the air a few minutes later and said that "the 1932 wheat crop is estimated at one-fifth less than last year's crop, and 14 per cent less than the 1924-28 average."

"The composite production figure for thirteen fruits and nuts on October 1," radiod Sterling R. Newell on October 11, "was but two-tenths of a per cent below the corresponding figure on September 1. The crop of cranberries this year is expected to be 526,630 barrels, which would be 19 per cent smaller than the crop last year and a little more than 10 per cent short of average."

"These shorter days and colder nights remind farm folks that the season for heavy feeding of livestock is not far away," said F. J. Hosking via the air on October 12. "In general, feed grain crop prospects improved in September, and the droughty condition of pastures in the eastern, western and Missouri Valley areas was recently relieved by generous rains." C. L. Harlan declared on the same day that "all present indications point to a sharp decrease in the number of lambs to be fed in the Corn Belt States this year, with no offsetting increase in other areas."

(Note: Mimeographed copies of the radio talks from which these excerpts are quoted, by representatives of the Bureau of Agricultural Economics, can be obtained from that bureau by marketing workers.)



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U. S. Department of Agriculture

November 2, 1932

Vol. 12, No. 44

### NEW JERSEY CREATES

#### CONSUMER INFORMATION DIVISION.

A Division of Consumer Information has been established as part of the New Jersey Department of Agriculture, by William B. Duryee, secretary. Mr. Duryee says that the purpose of the new division is to acquaint the people of New Jersey with the "good things" grown in that State, and "to show how New Jersey farm products are fresher and more economical than those from distant parts of the country."

The first act of the new division will be the issuance of a booklet entitled "Saving Money on Food." A series of weekly news-feature articles, dealing with the problem of economizing in foods, will be supplied to New Jersey newspapers.

"For a long time," says Secretary Duryee, "we have been invaded with subtle propaganda from other parts of the country, particularly the south and west, urging New Jersey and New York consumers to use fruits and vegetables from distant producing areas, and totally ignoring the fact that these same or similar foods, - fresher, better, and less expensive, - were being raised right here.\*\*\*The time has now come when New Jersey people must be told of the treasure they have in their own State."

The new division will cooperate with organizations of the State, including the Joint Committee on Economic Food Distribution of New Jersey, the American Home Department of the New Jersey Federation of Women's Clubs, the State Emergency Relief organization, the State Grange, the New Jersey Milk Conference Board, and the State Departments of Education, Health and Labor.

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### IOWA URGES FARMERS TO

#### CURB HOG PRODUCTION.

Iowa farmers are being advised by Iowa State College that "instead of breeding more sows this fall, farmers had better select only the best animals for breeding purposes and sell the rest." The college points out that there is a decrease in number of hogs for slaughter this fall, but that last June the Bureau of Agricultural Economics estimated a 1.2 per cent increase in sows to farrow before December 1.

"With low-priced feed supplies," it is stated, "every indication is that spring farrowing for 1933 will be much heavier than usual - which means a flood of pork on the market next fall and winter;" further, that "there is always considerable lag between an improvement in business conditions and an increase in demand for meat."

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MORE TURKEYS  
RAISED THIS YEAR.

Turkey production this year was of peak proportions, the number of turkeys on farms being estimated by the Bureau of Agricultural Economics at 13 per cent larger on October 1 than on that date last year. Increases are reported as general in all regions and in nearly all States; but cold storage holdings of turkeys on October 1 were smaller than on that date a year ago.

Connecticut Department of Agriculture reports that highest quality birds under 18 pounds, in that State, will sell for 43 cents a pound retail and 35 cents wholesale. The same quality birds 18 pounds and over will sell for 37 cents retail and 30 cents wholesale. Connecticut No. 1 turkeys will sell for five cents a pound less than the Connecticut Native Fancy Grade. Turkeys in both grades will be inspected by the Connecticut department.

Montana Extension Service says that the New York market ordinarily pays from 10 cents to 11 cents more per pound for fancy quality turkeys than for low quality birds, and is telling Montana farmers that as it costs less than 10 cents to produce a pound of turkey in that State, producers can save the cost of production by putting their product on the market in the best possible condition.

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NEW YORK ADVISES FARM  
STORAGE OF POTATOES.

Potato growers will find it necessary to feed the market more slowly this year than formerly, and will have to store potatoes on farms throughout the season instead of selling a large part of the crop immediately in the fall, says M. P. Rasmussen of New York College of Agriculture.

Storage costs, put in storage, for 100 Long Island growers in 1929 were 12 cents a bushel, and for 100 western New York growers in 1929 the costs were 8 cents a bushel. The out-of-storage cost was 6 per cent additional, or the average amount of shrinkage.

Mr. Rasmussen believes that consumption of potatoes has increased this year, but that "any effort to force the trade or consumers to buy more potatoes will probably result in drastic price drops with little, if any, increase in consumption."

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ILLINOIS REPORTS LIVELY  
INTEREST IN CATTLE FEEDING.

A livelier interest in cattle feeding, with many inexperienced feeders being attracted by the low price of corn, has been the signal for experienced feeders to apply extra caution and sharper judgment in planning feeding operations with cattle to be marketed this winter and next spring, says R. C. Ashby, Illinois College of Agriculture.

The keener interest, he adds, indicates a prospective increase in supplies of beef without any indicated strengthening of consumer ability to buy beef.



NEWS BRIEFS

CALIFORNIA College of Agriculture is accumulating dollars and cents evidence of the value of farm research in that State. The college says that new cultivation methods last year resulted in savings of \$2,513,683, and that improved irrigation practices saved California farmers \$1,683,440. "These figures," it is said, "show money saved because farmers were able to obtain as good or better crops with less work and expense."

SHIPMENT of cotton and cotton products from six counties of north-central Florida has been restricted by the United States Department of Agriculture to prevent the spread of the pink bollworm.

NEW VARIETIES of small fruits designed to stimulate demand by their excellence to provide resistance to disease, to insure greater adaptability to soil conditions, and to meet various other requirements, which have been approved by New York Experiment Station, include four raspberries, five strawberries, two gooseberries, and one elderberry.

A NUMBER of manufacturers of canned vegetables have informed the Bureau of Agricultural Economics that they are planning to show the quality of their products on the label, using for that purpose grade standards developed by the bureau.

THE FARM POPULATION will be approximately 32,000,000 people by the end of this year, or close to the peak farm population of 32,077,000 people as of January 1, 1910, the Bureau of Agricultural Economics says.

THE FARM PRICE INDEX stood at 56 per cent of pre-war average on October 15, or 3 points less than on September 15, says the Bureau of Agricultural Economics. The index on October 15 was 4 points above the low touched in June of this year. Last year on October 15 the index stood at 68.

FARM TAXES per acre in the West South Central States - Arkansas, Oklahoma, Texas, and Louisiana - were from 98 per cent to 228 per cent higher in 1930 than in 1913, says the Bureau of Agricultural Economics.

MARKETING DEALS recently reported in mimeograph by the Bureau of Agricultural Economics include "Marketing Idaho Potatoes, 1931-32 Season," "Marketing Michigan Potatoes, 1931-32 Season," "Marketing Michigan Apples, 1931 Season," "Marketing Maine Potatoes, 1931-32 Season," and "Marketing Western New York Apples, 1931-32 Season."

NEW PUBLICATIONS issued by Iowa Experiment Station include "A Survey of Graded Egg Buying in Iowa," "Statistics of Livestock Marketing and Livestock Trucking in Iowa, 1931," and "Costs and Utilization of Corn in Seven Iowa Counties."

A GUIDE to official statistics of agriculture, population, and food supply in Greece has been issued by the Bureau of Agricultural Economics as Economics Bibliography No. 39.



CORN BORER QUARANTINE - STATE ENFORCEMENT  
OFFICIALS RESPONSIBLE FOR UNNECESSARY DAMAGE

Wallace et al vs. Feehan; Appellate Court of  
Indiana, June 1932 (11 NE 862)

Action by Feehan against Wallace and others. From judgement for plaintiff the defendant appeals. Affirmed.

Plaintiff was owner of 160 acres of land in Allen County, Ind., which was rented to tenants, the rent to be paid to plaintiff to be a share of the crop raised on the farm. Tenants were in possession of the land and had growing thereon 65 acres of oats then about 8 inches high, of which plaintiff was to receive one-half as rent; the value of said oats was estimated at \$2,000. Early in June defendants entered upon plaintiff's premises with tractors and plows at a time when the soil was wet from continuous rains and plowed up 65 acres of said growing oats, thereby totally destroying the crop and damaging the plaintiff in the sum of \$1,000, and by destroying the fertility of the soil, damaged the same to the extent of \$2,000. In the trial court judgement was for plaintiff.

Appellants, who were employes of the State Conservation Department of Indiana, admitted entry upon the lands and the plowing of the oats but defended such action on the ground that they were carrying out the program of the State in the eradication of the corn borer from lands which had been decreed as infected with the borers, subject to quarantine; that State rules and regulations require all corn stubble be removed or burned prior to May 1, that notice to this effect was given the plaintiff but that he did not take action contemplated by the State program.

The court's instruction was that, until the contrary is made to appear by preponderance of the evidence, it may be presumed that rules and regulations adopted by the Conservation Department were reasonable and necessary; also, it may be presumed that it was reasonable and necessary for appellants to enter upon the land for the purpose referred to, and that the question of the right of appellants to plow under the oat crop and destroy it in order to destroy the corn stalks would depend upon whether the method adopted by appellants was reasonable or unreasonable; that the parties plowing up the farm cannot defend this action simply by showing that they were officers or agents of the State; that an officer or agent of the State is liable where he damages the property of another by going outside the scope of his duties; that it appears the question in each case is: "Was the regulation reasonable?" that no commission created by the State can transcend rights granted by the Constitution, whether it be a search for liquor or corn borer.

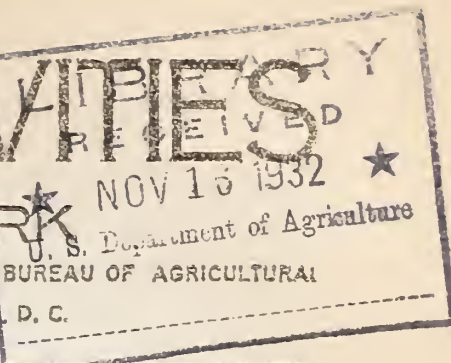
The order for the destruction of corn within infested areas before May 1 of each year was urged as unreasonable because by that time the larvae or worm has changed and is out of the corn stalk and is in the form of a moth and, therefore, the destruction of the corn would be of no avail at that time. The opinion of the court was that the method of enforcing the regulations must be reasonable and whether or not the act complained of was reasonable is a question of fact for the jury; that the plowing of the lands in the condition when wet as shown by the evidence was certainly actionable and that the amount of damages awarded was sustained by the evidence.



# MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.



November 9, 1932

Vol. 12, No. 45.

### MINNESOTA SETS UP TURKEY SHIPPING NEWS SERVICE.

In an effort to effect orderly marketing of turkeys and prevent oversupplying the markets this year, Minnesota Department of Agriculture is asking turkey producers and shippers in that State to furnish to the department daily information on shipments and intended destinations. The identity of individual shippers will be held confidential, and only shipment totals and the number intended for New York will be made known in response to telephone inquiries. Information on total shipments to New York will be made available because "the majority of Minnesota turkeys are shipped to New York, and New York prices reflect paying prices throughout the country." The department is making the service available from November 7 to November 17 inclusive, and from December 7 to December 17 inclusive.

Dressed turkey grades established by Minnesota Department of Agriculture include, for young toms and young hens, "Minnesota Fancy", "Minnesota Medium", and "Minnesota No. 2"; for old toms, "Minnesota Fancy" and "Minnesota No. 2", and for old hens, "Minnesota Fancy", and "Minnesota No. 2." Turkeys that do not qualify in these grades are classed as "Inedible" or "Culls".

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### CALIFORNIA SEES BETTER FARM YEARS AHEAD.

Prices of California farm products hit new lows in 1932, but this is the "worst year" for agriculture in that State, and "better years are ahead," says Prof. B. H. Crocheron, California Extension Service.

"The bright spot in the California picture," he says, "is that several commodities most severely pinched by low prices have now reached their peak of production and will hereafter decline until new plantings are made. Peaches and rasins are over the hump; there will be fewer of them to be marketed in years to come. Furthermore, it is probable that demand is at its lowest ebb and will improve in the future. We do not venture to predict a rapid return of so-called prosperity, but rather a gradual righting of the country's industrial machinery."

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### NEW JERSEY ORGANIZES ASSOCIATION FOR ECONOMIC ADVANCEMENT.

An association for the economic advancement of New Jersey agriculture is to be organized under the supervision of New Jersey Secretary

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of Agriculture, William B. Duryee.

Secretary Duryee says that "the purpose of the proposed association is to seek information on methods of promoting the economic welfare of agriculture in New Jersey and to put advisable methods into effect. The group could take under consideration such subjects as sound farm credit, New Jersey's position on national agricultural policies, and the development of New Jersey's agricultural resources." The first meeting of the new association will be held in Trenton on November 11.

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#### ILLINOIS LARGE FARMS LOSE LESS THAN SMALL.

Large farms in Illinois are losing less, on a percentage basis, than are small farms, according to P. E. Johnston, Illinois College of Agriculture. This, he says, is because it is easier for the larger farms to reduce operating costs to meet declining prices. Expressed as a percentage of the capital invested, losses on 400-acre farms were less in 1931 than on 100-acre farms.

"Acre operating costs drop as the size of the farm increases," Mr. Johnston says, "because of increased efficiency and because there is less work an acre on the larger farms. There is less work because there is less livestock an acre.

"This is shown," he continues, "by the fact that in 1931 there was about \$12 worth of feed an acre fed to productive livestock on farms averaging 100 crop acres as compared with \$8.50 worth an acre on 200-acre farms and \$6.85 worth an acre on 300-acre farms. The total labor, power and machinery cost for each crop acre on these three groups of farms was \$13.09, \$9.15 and \$8.54, respectively."

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#### PENNSYLVANIA GETS FREIGHT RATE CHANGED.

In the space of a week's time, Pennsylvania Department of Agriculture recently secured an equalization of freight rates on grapes between Erie County, Penna., and Chautauqua County, N. Y., to New York City. The grape growers of Erie County informed the department about October 15 that there was a differential in a freight rate of \$1.70 between the two counties to New York City. The Pennsylvania department appealed to the railroads, the Public Service Commission of Pennsylvania, and the Interstate Commerce Commission at Washington. The rate was equalized, effective October 21.

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#### CALIFORNIA CITES BETTER DEMAND FOR HORSES.

There are more buyers in the market for horses than has been the case in the past five years, but it is difficult to locate many high-class draft mares, and still more difficult to find satisfactory stallions offered for sale, says C. E. Howell, California Experiment Station. Ten years ago, he reports, there were approximately 400,000 horses in California; today, the number is about 275,000.



MINNESOTA GIVES ADVICE  
ON LEASING FARMS.

Following studies of farm leasing methods, Minnesota Extension Division has published a special bulletin entitled "Suggestions on Farm Leases." Forty-five per cent of the farm land in Minnesota is reported as being operated under some system of rental. The bulletin contains pointers for landlords on securing good tenants and for tenants on obtaining good farms. Advantages and disadvantages of various kinds of leases are discussed.

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NEW JERSEY COMPLAINS OF  
MILK PRICE REDUCTIONS.

Milk markets of the country are being demoralized by price reductions to such an extent that within a few years consumers will be faced with a marked shortage of supply and a great increase in price, according to Prof. J. W. Bartlett of New Jersey Experiment Station.

Commenting on a recent reduction of milk prices in Philadelphia, Prof. Bartlett says that "this latest cut was forced by retail stores which are willing to sell milk below cost of production. As a result of this action, consumers will save 1 cent a quart on grade B milk, and dairymen of South Jersey and other parts of Philadelphia's milk shed will receive a half cent less for each quart of milk they sell. This additional cut means that some of the dairymen are going to dispense with hired men, some will have any chance of profit eliminated, and others will have to go out of business. The situation is paralleled in other dairy sections of the country, and the consumer, while now enjoying low prices for milk and other dairy products, will have to pay far more than ever before for these essential foods when effects of a depleted cow population are felt a few years hence."

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NO TURKEY "PRICE FIXING"  
IN VERMONT.

The Vermont Turkey Growers Association recently recommended a price of 35 cents a pound to retailers, and 45 cents to consumers, for Vermont Native Fancy Turkeys. Considerable discussion arose over so-called "price fixing" by the Association, but Vermont Department of Agriculture explains that the prices stated by the Association were simply "recommended" and that "no price fixing was or has been attempted." The growers association believed, the department says, that a definite benefit had resulted from the suggested price a year ago by keeping the price level higher and made the recommendation this year on that belief.

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STANDARDS for unshelled pecans, and standard grades for fire-cured tobacco, have been issued recently by the Bureau of Agricultural Economics.

NO PATENTS are taken out by New York Experiment Station on new fruit varieties developed by fruit specialists at the Station.



## THE SITUATION WITH AGRICULTURE

By D. P. Trent, Oklahoma  
Extension Division

The problems of agriculture began not with the present depression but back in 1920 and 1921. The so-called deflation and restriction of farm credit which began in 1920 and the fall in prices of what the farmer has to sell far below the level of prices of things which the farmer buys placed farmers at a distinct disadvantage long before the present depression began.

The 1930 census shows that 450,000 American farmers who were full owners of their farms in 1920 had lost title to those farms by 1930 and the number of tenant farmers had increased 200,000. In the same ten years the total value of all farm property in the United States decreased \$20,000,000,000. Since 1930 these changes have gone on at even more rapid rate. Between 1920 and 1932 the total annual farm income of America dropped from \$15,400,000,000 to \$6,700,000,000. The total purchasing power of American farmers, which once stood at \$16,000,000,000 has shrunk to less than \$5,000,000,000. This means that a market for \$11,000,000,000 in goods has disappeared. This loss is more than twice the total exports of America at their peak and is equal to one-fourth of the total retail sales of the nation.

It doesn't matter so much whether the farmer gets a high price or a low price for the things which he has to sell as long as the price of the things which he has to buy is on the same level. The exception to this and the most difficult part of the whole situation is in the payment of debts that were created when prices of farm products were high or in the payment of taxes to retire bonds which were voted during the period of prosperity.

It isn't safe to count on the return of high prices. It isn't wise to plan on the basis of a boom period following the depression. The safe thing to do is to get from under the old debts and as far as possible avoid incurring any additional financial obligations.

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RADIOCASTS over the NBC network, by representatives of the Bureau of Agricultural Economics, now available in mimeograph, include: "The Price Situation," by A. G. Peterson, October 17; "October Hog Markets," by C. A. Burmeister, October 17; "The Egg and Poultry Market Situation," by F. H. McCampbell, October 18; "October Cattle Markets," by G. B. Thorne, October 18; "The Place of Land Classification in Land-Use Planning," by L. C. Gray and C. F. Clayton, October 24; "Grade, Staple, and Tenderability of the 1932 Cotton Carry-Over," by W. B. Lanham, October 25; "The Poultry, Egg, and Turkey Situation," by Roy C. Potts, October 26; "Grade and Staple Report for Cotton Ginned up to the 1st of October," by W. B. Lanham; "October Dairy Markets," by L. M. Davis, October 31.

"FEEDING and Care of Dairy Cows," has been issued as Extension Circular 193 by North Carolina Extension Service.



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November 16, 1932

Vol. 12, No. 46

### NEW JERSEY OPENS

#### FOOD CONSUMPTION CAMPAIGN.

The newly created Division of Consumer Information of New Jersey Department of Agriculture went into action this week with a barage of syndicated newspaper feature articles by State Secretary of Agriculture William B. Duryee. Headlines of these articles read: "Agriculture Head Asserts Housewives Can End Slump", "Economy Increases Need of Careful Food Choice", "Turkey, Cranberries, Urged for Low Cost Thanksgiving", "Milk, Fruits, Vegetables Most Economical Foods", "Apple A Day" Saw Called Good Advice for Jerseyemen", Experts Call Milk, Fruit Foods Needed for Health."

Fred W. Jackson is supervisor of the new division. A drive is being made for speedy consumption of the "two million bushels of New Jersey sweet potatoes now coming on the market after forty days of curing in specially constructed warehouses."

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### NORTH DAKOTA ESTABLISHES

#### TURKEY GRADING SERVICE.

A system whereby any cooperative group of North Dakota turkey growers may use Federal turkey grades has been set up by North Dakota Extension Service. It is required that the groups operate on a non-profit basis, that a school be held within the State where graders may be trained and qualified for license in the use of Federal grades, that there be an organization of producers who desire to use Federal grades, and that a State supervisor to have direct charge of the work and to act as an intermediary between the United States Department of Agriculture and the State for the purpose of checking the work of the graders be appointed.

F. E. Moore of the Extension Service has been appointed as State supervisor, and a school for the training of turkey graders was held at Valley City in October, where 18 graders were licensed.

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### ILLINOIS WOULD NOT SELL

#### TIMBER AT SACRIFICE.

Illinois farmers are being told by Illinois College of Agriculture that "this is no time to sell timber from Illinois farm woodlot, although many farmers may be pressed to do it in order to raise some ready cash. Timber that two years ago was worth \$55 a thousand board feet at the local siding is now bringing only \$35 delivered at the plant. Farmers who must sell their timber, are advised to sell direct to consumers.



NEW YORK FARMERS  
SELL EGGS AT AUCTION.

A three-county egg auction is being held at Poughkeepsie, New York, on Tuesday and Friday of each week. The returns on the medium grades of fancy white eggs last Friday, reports L. M. Hurd of New York College of Agriculture, were ten cents a dozen more than the highest quotation for the same grade in New York City. The price for fancy large eggs was four cents a dozen more than the New York City price. The auction was established by poultrymen members of the Ulster, Dutchess, and Columbia County farm bureaus and the Grange League Federation.

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RHODE ISLAND POULTRY  
PROGRAM IN THIRD YEAR.

The third year of the Rhode Island Poultry Breed Improvement Program is now under way. This project carried on by leading poultrymen of the State, through the cooperation of Rhode Island Department of Agriculture, is aimed at the production of better poultry on Rhode Island farms. Only proven breeding practices are used. Careful breeder selection with a nice emphasis on exhibition as well as production qualities, individual pedigree breeding, and progeny testing are fundamentals of the breed improvement work.

A detailed account of the project will be furnished upon request to Max A. Campbell, Rhode Island Bureau of Markets.

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CALIFORNIA SAYS CONSUMER  
HOLDS SITUATION KEY.

Increased buying power of consumers is the immediate hope of relief in the California agricultural situation, says Dr. H. R. Wellman of the Giannini Foundation.

"A rise in the general price level and an increase in the buying power of consumers," he declares, "would do more to improve the status of agriculture than anything else. In the absence of inflation there is much greater possibility of a substantial increase in the buying power of consumers than there is of a sustained rise in the general price level. It is mainly in connection with an increase in the buying power of consumers that I expect an improvement in the agricultural situation to occur."

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NORTH DAKOTA FINDS LAMB  
FEEDING A GROWING INDUSTRY.

Lamb feeding has had remarkable growth in North Dakota since 1930, according to D. J. Griswold, North Dakota Experiment Station. In Circular 114, recently issued by the Station, Mr. Griswold discusses briefly the factors that influence or determine profits in lamb feeding, feed required for gains, shelter and feed lots, a program of feeding, and when to sell.



SUPPLEMENT TO "MARKETING ACTIVITIES" NOVEMBER 16, 1932

The 1932 annual meeting of the National Association of Marketing Officials will be held at Washington, D. C., December 13 and 14 according to announcement of Secretary Sidney A. Edwards. Members of the association are requested to advise the secretary of any suggestions regarding the annual meeting.



THE JOURNAL OF THE AMERICAN MEDICAL ASSOCIATION  
PUBLISHED WEEKLY  
CHICAGO, ILL., MAY 1, 1919  
Vol. 27, No. 19



NEWS BRIEFS

CONNECTICUT Department of Agriculture points out that although the Connecticut turkey crop this year is larger than usual, the 30,000 to 35,000 turkeys raised in Connecticut are not enough to meet the local demand.

ONE WAY to cut fruit production costs to meet low prices is to plant one-year trees instead of two-year trees, says Illinois College of Agriculture. One-year trees give as good growth as two-year trees, they are cheaper, and transportation costs are less, the college says.

THE OWNER of the high herd in an Iowa cow testing association produced butterfat in October at an average feed cost of 8 cents a pound, according to Iowa Extension Service. During the same time, the owner of the low producing herd produced butterfat at a feed cost of 17 1/2 cents a pound. The high producing herd had been closely culled to eliminate the lower producing cows and was fed an adequate balanced ration with silage and alfalfa hay.

A HANDBOOK of Official Hay Standards, including Straw Standards, revised effective January 2, 1933, has just been issued by the Federal Bureau of Agricultural Economics.

RECENT NEWS RELEASES issued by the Federal Bureau of Agricultural Economics say that many farmers could get more money for their turkeys if they would improve the quality of the birds and adopt better dressing and packing methods, that the October decline in hog prices was due to relatively large slaughter supplies and continued weak consumer demand for hog products, that the 1932 wheat crop in central and western Europe is of better milling quality than the 1931 crop, that heavy foreign purchases of American cotton and a drastic reduction in exports of wheat and flour featured the agricultural exports situation in September, and that pork exports may increase somewhat during the next two years as a result of reduced foreign supplies.

MILK PRICES are down 17 per cent from the pre-war level, but the regular premium prices for the extra butterfat in high-testing milk can still be obtained by Illinois dairymen selling milk on most markets, says C. S. Rhode, Illinois College of Agriculture. The differential paid on most markets, he says, is 3½ to 4 cents a "point" in favor of higher-testing milk.

AN ANALYSIS of how taxes collected by New York State are spent, shows that more than half of the taxes are returned to the cities, counties, towns, villages, and school districts in the form of grants in aid and shared revenues, says M. P. Catherwood, New York College of Agriculture.

"A PLAN for Adjusting Cash Rent to Changes in the Prices of Farm Products," is the title of Bulletin 295, recently issued by Iowa College of Agriculture.



MINNESOTA Experiment Station announces the following bulletins for distribution: "Systems of Farming in Eastern and Southern Minnesota", "A Study of Taxation in Minnesota with Particular Reference to Assessments of Farm Lands", "Trucking Livestock to South St. Paul", "The Farm Tractor in Minnesota", and "Agricultural Credit in Minnesota."

LATEST turkey market information, the Connecticut Department of Agriculture announced on November 16, points to a higher price level for shipped-in dressed birds than early last week. New York reports last week-end stated that most grades appeared two cents a pound higher than was indicated the fore part of the week, and Monday's reports were that the market was about one cent above Saturday for some grades.

"AGRICULTURAL Credit Corporations Affiliated with Cotton Cooperative Marketing Associations," is the title of Technical Bulletin 322, recently issued by the U. S. Department of Agriculture.

A MIMEOGRAPHED report entitled "Factors Affecting Exports of United States Hog Products", by G. B. Thorne and Preston Richards, has been issued by the Bureau of Agricultural Economics.

MARKETING DEALS recently reported in mimeograph by the Bureau of Agricultural Economics are: "Marketing Northwestern Apples, 1931-32 Season", "Marketing Florida Citrus, 1931-32 Season", "Marketing Texas Vegetables, Lower Rio Grande Valley, 1931-32 Season", and "Marketing Texas Citrus, Lower Rio Grande Valley, 1931-32 Season."

FORTY-TWO CARLOADS of lettuce were shipped from California and Arizona in 1931. This, says the agricultural department of the Los Angeles Chamber of Commerce, represented 12,600,000 crates, which required 68,000,000 board feet of lumber, or sufficient material to build 9,000 five room houses.

"UNLESS a great supply of gold is discovered, or unless countries now off the gold standard stop bidding for gold, or unless the United States reduces the amount of gold in its dollar or takes similar action, the indications are that a price level can be expected of about pre-war or below," says V. B. Hart, New York College of Agriculture.

THE STORY OF AGRICULTURE is still as it has been for a long while, A. B. Genung of the Bureau of Agricultural Economics, told the NEC radio audience on November 1: "Production stable but prices the lowest within memory, trade sluggish, farm income and wages down, debts and taxes a heavy burden."

"THE SUPPLY SIDE of the world wheat picture showed little change during October," L. A. Wheeler of the Bureau of Agricultural Economics radiocast on October 31.

NEW YORK Experiment Station predicts that dairymen will adopt the new method of sterilizing milk cans and other dairy utensils on the far by means of dry heat rather than with steam, as devised by the Station specialists.



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U. S. Department of Agriculture

November 23, 1932

Vol. 12, No. 48

L. E. 44

DON'T FORGET THE ANNUAL MEETING

The 1932 annual meeting of the National Association of Marketing Officials will be held at Washington, D. C., December 13 and 14. The detailed program of the meeting will be published in a later issue of "Marketing Activities". Meanwhile, Sidney A. Edwards, secretary of the association, will be glad to receive suggestions regarding topics and speakers at the December sessions.

FLORIDA CUTS FEES  
OF INSPECTION SERVICE.

A schedule of reduced produce inspection fees has been announced by O. G. Strauss, Federal Supervising Inspector, in connection with Florida Federal-State Produce Inspection Service.

In a statement issued by the Florida Department of Agriculture, Mr. Strauss says that "with the increase in the demand for the service and the prospects for more general use of it, we feel that the same class of service can be rendered at a lower fee."

Copies of the new schedule may be obtained from either the Florida State Marketing Bureau at Jacksonville, Florida, or O. G. Strauss, Box 188, Orlando, Florida.

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ILLINOIS FARMERS TRYING  
TO BEAT GRAIN PRICES.

Illinois farmers are pushing a detailed search for every piece of land on their farms that will grow legumes, because in the growing of more legumes they see new hope for overcoming the surplus of cheap grains and reducing crop costs, says C. M. Linsley, Illinois College of Agriculture.

"One way to get land out of grain production, lessen unit production costs, decrease livestock production costs and at the same time improve the soil," Mr. Linsley says, "is to increase the acreage of legumes, particularly biennial legumes and alfalfa, where they are adapted to the soil."

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ALL AREAS IN ARKANSAS have been released from cattle tick quarantine, effective December 5, the U. S. Department of Agriculture has announced.

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Attn., Miss Trolinger,  
Washington, D. C.



### NEW JERSEY ORGANIZES FOR ECONOMIC ADVANCEMENT.

New Jersey agriculturists, business men and rural bankers met at Trenton on November 18 and formed an association for the economic advancement of New Jersey's agricultural industry.

The association was created for the purpose of meeting farm credit problems before they reach emergency stages, and to consider the State's position in regard to national agricultural policies. Its program may include projects for the development of New Jersey agricultural resources dealing with efficient land utilization, the tax burden on farm real estate, and governmental economies.

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### NORTH CAROLINA NAMES STEPS IN DAIRYING SUCCESS.

Seven steps necessary for success in farm dairying in North Carolina have been named by North Carolina Extension Service in a folder entitled "Farm Dairying" recently issued.

"Farm dairying," says the Service, "should be carried on as a side-line to general farming. Begin with a unit of five cows and increase as the production of feed on the farm will warrant. If cream is to be sold add both poultry and swine.

"Breed cows to production-bred bulls and raise calves from the best cows. Keep herd records and set goal of 300 pounds of fat as a standard for each cow in the herd. All the roughage needed, including pasture, together with most of the grain, should be grown on the farm.

"Provide such equipment as will be necessary to care properly for the herd and its product in a convenient and sanitary way. Much of this equipment can be home-made. Deliver cream or milk as often as it is necessary to insure good quality when it arrives at the factory.

"Farm dairying should be undertaken as a permanent side-line to the usual cash crops, and not as a substitute or as an emergency measure for low-priced cotton or tobacco."

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### MONTANA COUNTY GOES IN FOR LIVESTOCK FEEDING.

Livestock feeding has taken a rapid upturn in Missoula County, Montana, according to M. M. Oliphant, county extension agent. During the 1928-29 season, only 75 head of beef cattle were fattened. During the 1931-32 season 1,500 head were fattened and also 100 head of lambs.

Until about two years ago, Mr. Oliphant says, fattening was limited merely to full-feeding hay for two or three months before shipping to market. Now with the Amalgamated Sugar Company Refinery at Missoula, feeding has been built up with pulp as the principal feed. This in turn has encouraged stockmen not in the beet areas to fatten for they have found that marketing grain and hay through livestock brings in better returns.



FARM PRODUCTION INCOME  
DROPS TO FIVE BILLIONS.

Gross income from farm production for 1932 is tentatively estimated at \$5,240,000,000 by the Bureau of Agricultural Economics. Gross income in 1931 was \$6,955,000,000, gross income in 1930 was \$9,403,000,000, and in 1929 it was \$11,950,000,000.

The livestock industry sustained the major part of the reduction this year, as it shows a return of \$2,958,000,000 for 1932 as compared with \$4,191,000,000 in 1931. The gross income from crops is placed at \$2,282,000,000 for 1932 as contrasted with \$2,765,000,000 for 1931.

The biggest shrinkage in the livestock group this year has been in returns from cattle, hogs, and sheep, as a group, and in dairy products. Among the crops, cotton and cottonseed show the largest reduction this year.

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MINNESOTA SEES LITTLE  
CHANGE IN HOG MARKETING WEIGHTS.

Hogs reaching the Chicago market average as heavy as ever, says Minnesota Extension Service, despite the emphasis on light hogs in recent years. The Service cites a table showing average weights since the year 1877. The average for 1877-80 was 249 pounds. The highest yearly average during the ensuing period was 247 pounds in 1926, and the lowest was 210 pounds in 1916. The average for 1931 was 238 pounds.

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IOWA REPORTS INCREASED  
EGG PRODUCTION PER HEN.

With the close of the 1931-32 poultry year, the monthly report for October just released by Iowa Extension Service shows that hens in the calendar record flocks during the past year in Iowa produced an average of 142.3 eggs per hen as compared with 133.5 eggs the preceding year. The Service says that this increase in production was made with a lower feed cost. Many of the lower producing hens were culled during the year. The average size of the calendar record flocks in October was 181 as compared with 222 for the same month in 1931.

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NORTH CAROLINA REPORTS  
ON YEAR'S ECONOMIC RESEARCH.

A series of farm management investigations by North Carolina Experiment Station, entitled "Planning the Farm Business", was completed during the past year, the Station says in its fifty-fourth annual report just issued. This project was started in 1925.

Projects now active, and on which progress was made during the past year by the Station, include: Farm reorganization and management, a study of methods and practices employed in the production of cotton and tobacco, a study of factors influencing the production costs on dairy farms in Piedmont North Carolina, a study of peach orchard management,



a study of dairy cattle as a supplementary enterprise to cotton farming in the Piedmont Section of North Carolina, a study of organization and management of farms operated by cropper labor, factors which influence the cost of producing farm crops, cotton marketing, and methods and practices of cooperative associations.

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#### NEWS BRIEFS

NEW YORK Experiment Station has just issued a technical bulletin on "The Commercial Processing of Apple Juice."

CHEMISTS of the United States Department of Agriculture are concentrating research on fifteen most valuable farm crops, says Dr. H.G. Knight, Chief of the Bureau of Chemistry and Soils, in his annual report for the fiscal year ended June 30, 1932. The fifteen crops are corn, hay, cotton, wheat, oats, potatoes, tobacco, oranges, barley, apples, sugar beets, tomatoes, dry beans, grapefruit, and sweetpotatoes.

MILK PRODUCTION ON FARMS in 1931 is estimated at 101,815,000,000 pounds by the Bureau of Agricultural Economics, as compared with 99,705,000,000 pounds in 1930, and 98,782,000,000 pounds in 1929. The bureau estimates in addition that about 2,807,000,000 pounds of milk are produced annually in towns, villages, and rural places not classed by the Census as farms.

CONDEMNING any wholesale, unguided, back-to-the-land movement as "the poorest possible solution of the unemployment problem," the national land use committees meeting at Washington recently, reemphasized the imperative need for control and guidance of the movement by State and Federal agencies cooperating. Vigorous efforts to win resumption of normal industrial and commercial activity, the committee declared, offer a better solution for unemployment than any artificially stimulated countryward movement could be.

INCREASING USE of soil survey reports and maps by farmers, extension workers, land appraisers, and home seekers was reported by State and Federal soil scientists from the South and Middle West, at a session of the annual meeting of the American Soil Survey Association in Washington, November 15.

ECONOMIC CONDITIONS restricted the output of manufactured goods, medicines, and drugs, last year, but did not lighten the task of enforcing the national pure food and drug law, says W. G. Campbell, chief of the Federal Food and Drug Administration, in his report for the fiscal year 1932.

CORN BORER SPREAD was retarded by adverse weather this season, according to a survey by the U. S. Department of Agriculture.

A CIRCULAR entitled "Spoilage of Tomatoes in Transit, as Shown by Inspection Certificates, 1922 to 1930," has just been issued by the U. S. Department of Agriculture.



## MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

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Vol. 12, No. 48

NATIONAL OUTLOOK CONFERENCE  
SCHEDULED FOR LATE JANUARY.

The 1933 agricultural outlook conference of economists of the United States Department of Agriculture and State colleges of agriculture will be held at Washington, D. C. January 23 to 27. The Federal department will issue a report on the 1933 outlook, on January 30.

After the national report on the farm outlook has been issued, the State colleges will hold local and regional conferences, prepare outlook reports for their own areas, and make known the results through publications and at meetings with farmers.

The Federal conference and report will deal with domestic demand, foreign competition and demand, credit, farm labor, equipment, and fertilizers, and the 1933 outlook for more than forty crops and livestock products. One chapter will deal with the long-time agricultural outlook.

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FARM DEPRESSION WORST IN  
SEVENTY YEARS, SAYS HYDE.

The current depression has caused greater shrinkage in demand for farm commodities, in farm-commodity prices, and in farm incomes than has any similar decline recorded in the last seventy years, says Secretary Hyde of the United States Department of Agriculture in his 1932 report to the President.

"Consumption of the more expensive commodities has declined," he says. "Consumption of the cheaper commodities has remained practically unchanged, and indeed, in some cases has increased. Nevertheless, prices of all commodities have fallen. Farmers have had to take terrific price cuts to move their goods. The situation has demonstrated again the old truth that it takes purchasing power, as well as consumption, to keep prices up.

"Reduced buying power abroad was not the only cause of the drop in our agricultural exports. Increased farm production in Europe and elsewhere had a great deal to do with it. So did import restrictions established by foreign countries because of their reduced buying power and because of their desire to maintain their gold reserve. Recent export statistics bear out what I emphasized in my report last year, namely, the impossibility of maintaining our agricultural export trade at the volume it reached during the World War and immediately after.

"We have laid aside the expansionist philosophy carried forward from the pioneer epoch. We are turning now to sound economic planning in agriculture."



PENNSYLVANIA SURVEY SHOWS  
INCREASE IN MILK CONSUMPTION.

The trend in consumption of fluid milk in Pittsburgh has continued upward, although consumption did not increase as rapidly from 1930 to 1932 as from 1926 to 1930, Pennsylvania Experiment Station has found in a survey.

"Per capita consumption of fluid milk in Allegheny County, including Pittsburgh," says the Station, "is estimated to be .5071 of a pint per day. In 1930 it was .4728 of a pint per day and in 1926 it was .3901 of a pint per day. In the city limits of Pittsburgh it is .5598 of a pint and in Allegheny County, excluding Pittsburgh, .4559 of a pint."

The Station has incorporated the results of its survey in a mimeograph paper which deals with per capita consumption, use of milk received in Pittsburgh, method of sale of fluid milk and cream, comparison of organized and unorganized milk, number of dealers, and dealers' capacity.

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CONNECTICUT REPORTS ON  
THANKSGIVING TURKEY DEAL.

The day was saved for Connecticut growers who were selling turkeys on a graded basis, says Connecticut Department of Agriculture in a report on the Thanksgiving turkey deal, by a reduction in price of 10 cents per pound, an allowance of 5 cents per pound additional for birds weighing over 18 pounds and for birds falling into the second grade, together with an increase of over 80 in the number of retail outlets, accompanied by a well-organized and efficiently conducted advertising program. There are now over 170 retail stores handling Connecticut yellow tag turkeys, says the department.

The department points out by way of contrast "an example of what can be expected through disorganization" - the turkey deal in New York. "The Thanksgiving market there," says the department, "closed with practically 200 carloads of turkeys unsold and with best Northwesterns quoted at 19-20 cents per pound. There was no excuse for this condition prevailing and it would not have existed had growers in producing regions been organized and followed a real merchandising program, accompanied by a careful grading plan."

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PENNSYLVANIA STUDIES  
POTATO PACKAGING.

Summarizing a report on marketing Pennsylvania potatoes in fifteen-pound containers, just issued by Pennsylvania Experiment Station, the Station says that "when potatoes were sold in 15-pound cloth bags 15.66 cents per bushel was added to the marketing cost, as compared with marketing in 120-pound sacks. The direct cash return to the grower was not large, because



of the high marketing costs and the small volume of sales at the advanced retail prices. The quality of potatoes marketed in 15-pound sacks must be high. The open mesh sack was the best container for marketing Pennsylvania potatoes in small packages. Cleaning potatoes before sacking in small bags is desirable. The retail grocery store was the best outlet. It was the opinion of 21 of the 45 growers included in this experiment that the small sack is not practical. Before investing any capital in equipment for marketing potatoes in 15-pound sacks, the farmer should study his market. Marketing potatoes in 15-pound containers appears to offer little advantage to the Pennsylvania potato industry, at least during the next few years."

The survey was made during the 1931-32 marketing season, and the report has been published as Bulletin 231 by Pennsylvania State College.

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#### VALID CONTRACT NOT ALTERED BY ORAL REPRESENTATIONS

Natchez Pecan Marketing Association et al v. Bramlett  
Supreme Court of Mississippi, October 1932 (143 So. 429)

Action by David C. Bramlett v. Natchez Pecan Marketing Association. From judgment for plaintiff, defendant appeals. Reversed. This case represents an attempt to show that the provisions of a valid existing contract for the sale and delivery of pecans, entered into between a co-operative marketing association and one of its members, and duly executed, could be set aside by a promise made by a representative of the association which was at variance with the terms of the contract. Although the lower court ruled for the plaintiff, the judgment was reversed in favor of the association on appeal.

Bramlett recovered judgment against the marketing association for balance alleged to be due on pecans which he alleged were sold and delivered to the association. His suit against the association was for the value of the pecans less the amount of a payment made to him thereon. The association pleaded in bar a special contract under which the pecans were delivered, to be sold by it and the proceeds accounted for to Bramlett, which sale at the time of the trial had not been consummated. Bramlett claimed that the contract was void because it was obtained by means of material fraudulent representations made to him by an agent of the association.

The question before the lower court for decision was the validity of this contract. The negotiations for the contract were had by Bramlett with an agent of the association, which was understood by both parties and signed by them. It appears that the contract is the ordinary co-operative marketing contract by which a grower becomes a member of the co-operative association and agrees to deliver pecans grown by him to the association, which thereupon becomes the owner thereof and is obligated to make the grower certain advances on and to sell the pecans, together with those of other members of the association, to the best advantage, selling only such quantities at one time as tend toward a stabilized



market, not lowering prices, and to account to the grower for the proceeds of the sale.

The false representations which Bramlett claims the agent of the association made to him and which induced him to sign the contract were that the association had on hand in bank funds sufficient to pay for the pecans and that the association had been paying to growers certain designated prices for pecans, which prices would be paid to Bramlett on delivery of his pecans to the association. In this connection the court held that the alleged promise that the association would pay for the nuts on delivery is in direct conflict with the written contract and cannot be permitted to modify its terms. The contract contained this stipulation "The parties agree that there are no oral or other conditions, promises, covenants, representations, or inducements in addition to or at variance with any of the terms hereof; and that this agreement represents the voluntary and clear understanding of both parties fully and completely."

The evidence discloses no authority from the association to its agent to make any such representations as alleged by Bramlett; that when the association received and approved the contract it did not know of the representations alleged to have been made by its agent and therefore was entitled to rely on the stipulation in the contract that no such representations had been made.

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A HEN laying 150 eggs a year is worth three times as much as a hen whose yearly production is 90 eggs, says A. C. Smith, Minnesota Extension Division. At present prices of feed and eggs it takes about 60 eggs a year to feed a hen regardless of her egg output. If it costs 60 eggs to feed a bird, one that lays 90 eggs will return only 30 eggs profit, whereas the 150-egg hen will return 90 eggs profit.

"PENNSYLVANIA AGRICULTURAL STATISTICS, 1930-31" is the title of a bulletin recently issued by Pennsylvania Department of Agriculture.

CALIFORNIA Division of Markets has issued a special publication designated "Markets No. 1" and entitled "Solving Marketing by Understanding", by Theodore Macklin. A sub-title designates the publication "A Plan for Developing Confidence by Discussion".

ALL CATTLE over six months of age imported into New York State for dairy or breeding purposes must come from herds certified to be free from Bang's disease, according to a regulation that went into effect in New York State, October 1, 1932.

MIMEOGRAPHS recently issued by the Federal Bureau of Agricultural Economics include: "Milk and Butterfat Production and Utilization in the United States in 1929, 1930, and 1931"; "United States Average Farm Prices of Dairy Products, 1910-1932"; "Marketing Texas Bermuda Onions, 1932 Season"; "Marketing South Florida Vegetables, 1931-32 Season", and "Directory of Teachers Giving Courses in Rural Sociology and Rural Life".

NEW JERSEY Department of Agriculture has inaugurated a service of listing idle farms which are for sale.

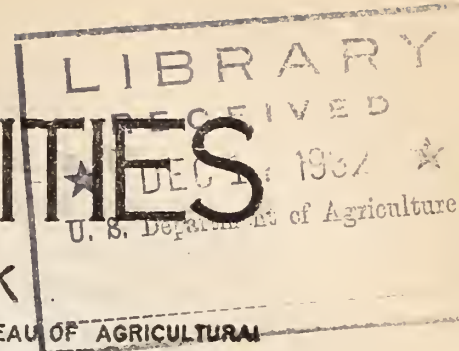


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# MARKETING ACTIVITIES

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December 7, 1932

Vol. 12, No. 49

### MARKETING OFFICIALS HAVE WIDE PROGRAM

Speakers at National Convention to  
Discuss Current Important  
Marketing Subjects.

A program that ranges from a discussion of the preparation of budgets for a Bureau of Markets to the future policies of the Federal Farm Board, from standardization and inspection to roadside marketing, from research in marketing to agricultural credit through the Reconstruction Finance Corporation, has been prepared for the Fourteenth Annual Meeting of the National Association of Marketing Officials, to be held at Washington, D. C., December 13 and 14.

At the opening session, "Standardization and Inspection" will be the subject of an address by C. W. Kitchen, assistant chief, Bureau of Agricultural Economics. "Federal-State Relationships and Policies in Administering Shipping Point Inspection" will be discussed from the attitude of state authorities, by S. B. Shaw of Maryland Bureau of Markets, and H. D. Phillips of New York Bureau of Markets. The attitude of Federal authorities on this subject will be described by R. C. Butner of the Bureau of Agricultural Economics. "Marketing Control Through the P.A.C. Act" will be the subject of an address by Wells A. Sherman of the Bureau of Agricultural Economics.

"Coordinating Research and Service in Marketing" will be discussed by L. A. Bevan of Massachusetts Division of Markets, and E. A. Stokdyk of the University of California, at the afternoon session on December 13. This will be followed by an exposition of "Newer Phases of Auction Marketing" by W. G. Meal of New Jersey College of Agriculture, and George A. Stuart of Pennsylvania Bureau of Markets. The program for this session calls also for a discussion of "Agricultural Credit Through the Reconstruction Finance Corporation."

"The Northeastern Egg Quality Program" will be explained by Alben E. Jones of New Jersey Bureau of Markets, at the opening session on December 14, followed by an address: "Selling Eggs on the Basis of Federal Grades in Retail Channels of Trade" by Rob R. Slocum of the Bureau of Agricultural Economics. "Future Policies of the Federal Farm Board" will be revealed at this session by Carl Williams, vice-chairman, Federal Farm Board.



"Preparing a Budget for a Bureau of Markets" will be the subject of an address by L. M. Rhodes of the Florida Marketing Bureau, and C. M. White of Maine Division of Markets, at the closing session on December 14. The advantages and disadvantages of State grades and State identification of agricultural products will be discussed by Warren W. Oley of New Jersey Bureau of Markets, Melvin H. Brightman of Rhode Island Bureau of Markets, R. R. Pailthorp of the Bureau of Agricultural Economics, and J. H. Meek of Virginia Division of Markets. "Recent Developments in Roadside Marketing" will be made known by L. A. Bevan of Massachusetts Division of Markets, and George A. Stuart of Pennsylvania Bureau of Markets.

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#### PENNSYLVANIA UNCOVERS TURKEY "RACKET".

A turkey racket used by unscrupulous, in-and-out, commission agents for a generation to victimize inexperienced producers and shippers, has appeared again this year, according to George A. Stuart, Director, Pennsylvania Bureau of Markets.

The scheme is worked by supposedly new firms which open up shop in the large eastern cities during the early winter months and specialize in the marketing of turkeys, Mr. Stuart says. They mail literature all over the country forecasting a holiday price higher than current values and invariably greater than the actual market price at time of sale.

The Pennsylvania Bureau of Markets has found, upon investigation, that several of these "new" firms are old offenders operating under fictitious names. After the beginning of the New Year, it is the practice to suspend business and leave many accounts unsettled. Farmers who consign turkeys to such unscrupulous agents frequently receive only an express receipt for their birds.

To protect Pennsylvania farmers from this "racket", the Bureau of Markets has compiled a list of financially responsible commission agents, and urges shippers to consult this list.

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#### NORTH DAKOTA SAYS TURKEY COSTS LOW THIS YEAR.

Feed cost per pound of growing Bronze turkeys this year will be the lowest of any year during the seven in which this work has been under observation at North Dakota Agricultural College, O. A. Barton of the poultry department reported recently. He says that the total feed cost this year will not exceed 65 cents per turkey. The rate of growth this year will also be greater than the average during the past seven years, he says, individual turkey toms having registered as high as 5 pounds 12 ounces gain in a four-weeks' period. Feed cost, Mr. Bartln points out, usually amounts to about one-half the total cost.

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NEW JERSEY Department of Agriculture budget being prepared for the next fiscal year calls for an expenditure of 50 per cent less than the amount appropriated for use during the past year, reports William Duryee, secretary, New Jersey department.



VERMONT ARRANGES FOR  
INSPECTION SERVICE.

Through cooperative agreements recently signed by the Commissioner of Agriculture for Vermont and the United States Department of Agriculture, the shipping point inspection service on potatoes and apples is again available to Vermont producers and shippers, according to Vermont Division of Markets.

The division expects the growing market demand for potatoes of definite grade will cause shippers to appreciate the advantage of inspecting and certifying produce at shipping points.

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ILLINOIS SAYS CORN PRICES  
UNLIKELY TO REMAIN LOW.

There is nothing in the history of corn prices or in the general economic situation to suggest that the farm price of corn will remain for any long period of time at the "absurdly" low prices now current, says Dr. L. J. Norton, Illinois College of Agriculture.

"There is promise of improved prices in the forces which are being set in motion to use up the crop," he says. "There has been an active commercial movement into the northeastern States; some export trade has developed, and recently there has been a small direct movement of corn from the Illinois River Valley to California by all-water route. More cattle are being fed and steps are being taken to expand a somewhat reduced hog output."

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CALIFORNIA SEES GREATER  
WATER-WAY FRUIT SHIPMENTS.

With high cost of transportation a principal cost item in the marketing of California perishable fruits, growers and shippers of California plan to make use of the increased refrigeration space to be available on the waterways next season, says the agricultural department of Los Angeles Chamber of Commerce.

Four new ships are reported to be put into service by the Grace Lines between Pacific Coast ports and the Atlantic seaboard, the first to arrive in December. This year, says the Department, citrus growers saved \$153,000 through increased use of ocean transportation from Los Angeles Harbor.

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STOCKS of Connecticut graded turkeys cleared unusually well at Thanksgiving, and the number available for Christmas will be considerably less, says Connecticut Department of Agriculture. The price schedule applying at Thanksgiving on Connecticut Native Fancy Grade and Connecticut Native No. 1 Grade turkeys is to remain the same for Christmas.

"AMERICAN FRUIT AND VEGETABLE AUCTIONS" has been issued as Circular 250 by the U. S. Department of Agriculture.



IOWA TO HAVE "LARGE CROP  
FARM MORTGAGE FORECLOSURES".

There is imminent danger that Iowa will harvest this fall the biggest crop of farm mortgage foreclosures, lost equities and ruined farmers the State has ever known, says Dr. A. G. Black, Iowa State College.

Dr. Black groups the major problems that the present depression has forced upon agriculture, under three heads: Low prices for agricultural products; high fixed charges on mortgage and other indebtedness in relation to income; and high taxes in relation to income.

"The average man hears of 10 cent corn and \$3 hogs," he says, "but he does not grasp the significance of these prices; he does not realize the meaning of the events of the past year for agriculture, nor does he realize what is going to happen to agriculture during the next twelve months if some program of action is not put into effect."

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NEW HAMPSHIRE FARMER PEDDLERS  
NEED NOT BE LICENSED.

New Hampshire Department of Markets says that it is frequently asked whether or not a farmer is required to hold a license if he peddles fruit, vegetables, poultry, dairy and other farm products from house to house in villages and cities of the State. The reply is contained in Chapter 157 of the Public Laws of New Hampshire, as follows:

"No person shall do any business as a hawker or peddler, or go about from town to town, or from place to place in the same town, exposing for sale or selling any goods, wares or merchandise other than provisions, agricultural implements, fruit trees, vines, shrubs, books, newspapers, pamphlets, the products of his own labor or the labor of his family and the product of his own farm or the one which he tills, the manufacturers of furniture and ladders excepted, until he shall have procured a license so to do as herein provided. The word 'provisions' as used in this section shall not include fruits not grown in the State."

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R. S. STEPHENSON, a member of the animal husbandry staff of Iowa State College since 1919, has resigned to start farming on his 230-acre farm in northern Tama County which he purchased recently. Professor Stephenson has had charge of the beef cattle herd at the college in addition to his teaching work.

MARKET DEALS recently reported in mimeograph by the Bureau of Agricultural Economics include: "Marketing Texas Spinach, 1931-32 Season"; "Marketing Arizona Lettuce, 1931 Fall Season"; "Marketing Southern California Cauliflower, 1931-32", and "Marketing Texas Cabbage, 1931-32 Season".

BEEF COWS are a losing enterprise on many Illinois farms, says M. L. Mosher, Illinois College of Agriculture. Failure to provide cheap feed for the cows is where many beef herd owners are losing out, he declares.



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December 14, 1932

Vol. 12, No. 50

# FOURTEEN STATES REPRESENTED AT ANNUAL MEETING OF MARKETING OFFICIALS

National Association Asks Federal Bureau to Develop Method of Reporting Motor Truck Movement - Continuing Need for Standardization, Market News, and Marketing Research is Emphasized - Would Carry Grades Through to Consumers.

Improvement of farm marketing processes so as to yield to producers the highest financial returns for their work and to give consumers the best value for their money was the keynote of discussions at the Fourteenth Annual Meeting of the National Association of Marketing Officials at Washington, D. C., December 13 and 14.

Fourteen States were represented at the meeting - Connecticut, Delaware, Florida, Maine, Maryland, Massachusetts, New Jersey, New York, Pennsylvania, Rhode Island, South Dakota, Tennessee, Virginia, and West Virginia. For the ensuing year, M. H. Brightman of Rhode Island was elected President of the Association; H. B. Davis of West Virginia, Vice-President, and Sidney A. Edwards of Connecticut, Secretary-Treasurer.

Nils A. Olsen of the Federal Bureau of Agricultural Economics welcomed the Association to Washington, and offered the continuing cooperation of the Federal bureau in the administration of joint marketing and economic research services. Speaking briefly on the current economic position of agriculture, Mr. Olsen stated that he "sees some evidence of a scunder situation in the matter of credit and certain elements of the price structure." He declared for "confidence in the future of the Nation," and said that "a forward-looking and optimistic state of mind is as important as any other element" in effecting improvement; that "some outside influences will be found to be fully as great in significance as those operating immediately within" in solving the agricultural problem.

"I am utterly convinced," Mr. Olsen stated, "that American agriculture cannot get along without its foreign markets. It is wrong to assume that we can live without foreign markets. If we are going to sell



our surplus goods, we will have to take payment in goods, or in services of one kind or another, or in gold."

### Consumer Grades

C. W. Kitchen, assistant chief, Bureau of Agricultural Economics, declared that "as a general proposition the Federal standards for farm products should be carried through to the consumer," adding that the bureau "stands ready to cooperate with the States or anyone else in formulating standards that will describe quality that consumers can understand and use."

Mr. Kitchen reviewed the history of standardization and inspection of farm products, beginning twenty-five years ago when Congress recognized the need of developing information and authorized the Department of Agriculture to initiate studies as a basis for developing standards. He said that the Federal standards must cover significant gradations in quality so as to provide a satisfactory basis for trading, that they are not to be changed from season to season to conform to the quality of the crop, that they must be uniform within reasonable limits throughout the country.

He announced that "within the past three years we have been conducting an exhaustive study of the grain standards with the view of revisions that will more nearly disclose commercial values and aid in more fully reflecting premiums for quality back to producers," and that "research studies and laboratory experimentation of a fundamental character are being carried on in connection with the standards for cotton and other products."

Progress was cited by Mr. Kitchen in developing grades upon which individual consumers can buy. During the last fiscal year more than 190,000,000 pounds of butter were graded by the bureau independently and in cooperation with States and other agencies. A substantial part of this volume was packed and sold under "certificates of quality". During the last fiscal year, the bureau graded more than 180,000,000 pounds of beef and marked the carcasses with the federal grade in a manner to show the grade on individual cuts. The quantity of beef graded and stamped has increased sixfold since 1928, when the work was started. The latest development in this field is in connection with standards for canned fruits and vegetables, grades having been developed for six products, and considerable progress having been made on grades for eight or ten more products.

### P. A. C. Act.

Wells A Sherman of the Bureau of Agricultural Economics; reported that up to December 3, 1932 the Secretary of Agriculture had received 5,273 complaints under the Perishable Agricultural Commodities Act. Of these complaints, 401 cases were closed as not coming under the Act; 1,083 cases were closed by amicable settlement; 324 cases were closed under the classification "not good delivery"; 135 were closed on the point



of "no enforceable contract"; 380 cases were withdrawn by complainants; 886 cases were closed on account of "no reply from complainants"; in 430 cases it was found there was "no violation" of the Act; 224 cases were closed on account of "insufficient evidence"; penalties were imposed in 165 cases, and 106 cases were closed for "other reasons". There were pending on December 3. a total of 1,139 cases.

"Some of the purposes of the Act," Mr. Sherman said, "can not be effectively accomplished without some changes in its provisions. One of these amendments would place upon the respondent against whom a reparation order is issued the duty of paying the order within the prescribed time or appealing to a United States court from the decision of the Secretary. The trial in such a case would be a trial de novo at which the order of the Secretary would be prima facie evidence. If the complainant prevailed in such a trial he would be allowed costs and attorney's fees incident to the trial. The Secretary in another amendment would have the authority of suspending the license of anyone who failed either to pay within the prescribed time or avail himself of this privilege of appeal. This shifting of the burden of taking the reparation order into court from the holder to the respondent would, we believe, have an exceedingly good effect and probably result in the prompt payment of a vast majority of the orders issued."

#### Federal-State Inspection

S. B. Shaw of Maryland Bureau of Markets discussed the attitude of State authorities toward the Federal-State inspection service. He said: "We look upon Federal-State inspection a little differently than just going out and saying whether a car is in grade. We like to think of it as a certification service rather than as an inspection service. Many of our people do not like the word 'inspection'. We try to get our people to pack below the tolerance, so that cars will bring their real value whether on the domestic market or foreign market. We must have men doing the work, who can not only inspect a car and say whether it is in grade, but can also go into the packing house and carry on extension work to get them to use better methods of grading, handling and packing.

Free transfer of shipping point inspectors among the States was advocated by H. D. Phillips of the New York Bureau of Markets, so as to provide continuous work for efficient men. He suggested, also, that it would be helpful to have a survey made of the different states to find out under what control they carry on shipping point inspection work, so far as State and Federal men are concerned. In New York, he continued, we have a State-Federal supervisor who is supposed to have entire administrative control over arrangements of shippers for carrying on field work; our idea is that the Federal representative has to do with maintaining the standard of inspection.

Regarding the cost of inspection services, Mr. Phillips stated that "the Federal viewpoint is that if there is a deficit it must be taken care of by spreading it all around. We do not know whether New York State is paying its way. I hope we can have a detailed study of costs, State by State. We should be entitled to know where the deficit arises."



Discussing the attitude of Federal authorities toward shipping point inspection services, R. C. Butner of the Bureau of Agricultural Economics stated: "We have tried to make the service national, and now have agreements with forty-five States on certification and standardization work." Mr. Phillips made a good point about cooperation between States in moving inspectors from one State to another, but the difficulty we have experienced is that some States last season would not employ outside men. We have no right to dictate to the States that they must take men from other States. Mr. Phillips mentioned the difference in financial arrangements in different States. It seems to me if the agreement is satisfactory to a State, nothing will be gained by knowing what is happening in some other State.

#### Deficit in Inspection Service

"We have a deficit in the inspection service," Mr. Bunter continued. "The shipping point inspection is approximately self-supporting; the deficit is all in receiving point work. We have never asked any State to contribute anything to make up this deficit."

Mr. Sherman of the Bureau of Agricultural Economics said that the lack of uniformity among the States in shipping-point inspection work is due to differences in State legislation. A small group of States have a substantial State appropriation for the work, in another group there is no appropriation but merely authority to do the work and make it self-supporting out of a revolving fund, and in another group the service is compulsory and the law says what the fee shall be.

"We would be glad," Mr. Sherman continued, "to have all shipping point inspectors employed all the time. Short peak periods make it impossible to move men from State to State. We try to recommend the best available men from week to week as they are needed."

"Louisiana, Mississippi, and Tennessee," announced Thomas P. McCord of Tennessee, "has a tentative arrangement for a systematic interchange of inspectors."

#### New Packages

At the close of the morning session on December 13, a representative of a paper box manufacturing concern demonstrated new packages which have been developed for shipping celery and strawberries. He said that shippers have found it necessary to produce a package to form some eye appeal to consumers. He said that a Long Island grower who used the self-locking, ventilated strawberry carton this summer thereby increased the price of berries from two to eight cents a quart.

The set-up and activities of the New England Research Council were described by L. A. Bevan, acting secretary of that organization, discussing the coordinating of research and service in marketing. Ten years ago, he said, the representatives of agricultural colleges and State departments of agriculture, met to see what could be done in making more progress on agricultural problems, and the formation of the New England Research Council on Marketing and Food Supply was the result. Cooperative research is conducted by the Council, and recently a committee was appointed to study marketing reporting.



Mr. Bevan's statement led to a discussion of the need for marketing research directed at reporting motor truck movement, and the carrying of grades through to consumers, and Mr. Phillips said there was need for studies to find the correlation between grade defects and price. Mr. White of Maine described a research project that developed information showing that color, size, and bruises are the principal factors that affect the price of potatoes. Mr. Pailthorp of the Bureau of Agricultural Economics recommended as a valuable example of research in this field, Special Bulletin 209, entitled "Consumer Demand for Apples in Michigan, issued by Michigan State College.

### Auction Marketing

More than thirteen hundred thousand packages of various fruits and vegetables were sold at six produce auctions in New Jersey this season, W. G. Meal of New Jersey College of Agriculture reported. Practically all produce handled at these auctions, he said, is sold directly from farmers' trucks or wagons at the "block". Samples of each lot in the load are displayed to buyers who thereby judge the quality of the load, and after a load has been sold it is hauled immediately to the buyer's truck, railroad car, or section allotted to him on the loading platform. Two of the markets employed Federal-State inspectors this season in order to assist producers in improving packing methods, and provide shipping point certificates. The majority of the New Jersey produce auctions, Mr. Meal said, are patronized by small trucker-buyers operating from the cities and towns within trucking distance. For the 1932 season, the six auctions had an average operating cost of less than one cent per package, which was 1.2 per cent of the gross sales value of the commodities handled.

"The local auction," Mr. Meal concluded, "is receiving increased attention in many States, and suggests the possibility of considerable benefit where conditions favor its adoption either as a more direct marketing method or as a means of reducing marketing costs."

George A. Stuart of Pennsylvania Bureau of Markets reported there are five egg auction markets in operation in that State, one a private auction on a 10 per cent charge basis, and four cooperative auctions which charge forty cents a case for inspection, and sixty cents a case when the eggs are also candled and pooled. Grades used are: Fancy, equivalent to U. S. Specials; Extra, equivalent to U. S. Extras; Standard, equivalent to U. S. Standards, and "Producers" but the grades provide less tolerance than the Federal grades. Mr. Stuart said that the price on all the auctions from July to October has averaged 3.98 cents a dozen above the New York price for equivalent grades, and that by selling at auction the producers have effected a saving of \$20,939.50 in transportation and other marketing costs. Prior to establishing the auctions the producers received six cents a dozen under the New York price for eggs of the same quality. The auction system, he said, has also effected an improvement in egg quality.



L. B. Mann of the Federal Farm Board described the organization and activities of the Eastern Livestock Marketing Association, which began business in Baltimore last July. Four thousand farmers in eight eastern States have signed marketing agreements with the Association. Since July the Association has handled approximately \$275,000 worth of livestock, or about 16,000 head. It is hoped eventually to open agencies at Lancaster and Jersey City.

### Marketing Fishery Products

Latest figures collected by the United States Bureau of Fisheries show that our commercial fisheries provide employment to more than 204,000 persons, of whom about 120,000 are fisherman, R. H. Fiedler of that bureau told the marketing officials. Fishermen received about \$120,000,000 for their annual harvest.

"Fishery products," he said, "are marketed today much as they were fifty years ago, and few, if any, of the marketing problems have been solved. The industry has few standards by which to judge the quality of its product. The use of motor trucks for transporting fishery products to market has been extended during late years, it being estimated that 250,000,000 to 350,000,000 pounds are being so distributed. There is a wide spread between the price the fisherman receives for some fish and that paid by the consumer. The bureau is making technological studies to develop standard methods for judging the quality of fresh and frozen fish, new methods for preparing and packaging fish to meet consumer demands, processes to reduce overhead expenses in marketing, new uses for fishery products, and uses for waste products."

### Committee Reports

Committee reports on Standardization, Transportation, Legislation, Sales and Consignments, Market Reporting, Cooperative Marketing, Crop and Livestock Estimates, and City Markets were submitted by the respective chairmen of committees, a limited number of copies of which may be obtained from Sidney A. Edwards, secretary of the Association, at Hartford, Connecticut. At a meeting of the executive committee it was decided to consolidate all committees except the committee on legislation, and next year to issue a single report on progress in the various lines of marketing developments, under the chairmanship of J. Clyde Marquis of the Federal Bureau of Agricultural Economics. Each chairman of the special committees who served in 1932 will be a member of the new committee in 1933.

At the session on December 14, Alben E. Jones of New Jersey Bureau of Markets read a paper on the "Northeastern Egg Quality Program", which has been formulated by the marketing committee of the Northeastern Poultry Producers Council. The committee has been making surveys of production and distribution in each of the northeastern States, and surveys in terminal markets of the quality products arriving from the various States. The objectives of the program are to produce quality products, to interest local retailers in handling quality products, to show consumers the economy of buying quality products, and the use and coordination of existing marketing agencies. Some of these objectives are being attained, he said, by the distribution of information on holding tempera-



tures, the distribution of card thermometers among retailers, and the establishment of egg auctions. Mr. Jones announced that Professor Botsford of New York is planning a survey in January to determine the quality of eggs received on the New York Market. A previous survey made by Professor Botsford showed that the States which had developed the Egg Quality Program to the highest degree were delivering the best quality eggs on that market.

#### Federal Egg Grades

If standardization and grading are to be of greatest usefulness, declared Roy C. Potts of the Bureau of Agricultural Economics, they must be practicable to be applied at point of production and carried through to the ultimate consumer. He described the progress being made in the sale of Government graded and dated eggs, stating that 662,355 dozen were so graded during the first six months of this year. During the same period, more than twenty-two million pounds of butter, 93 score or better, were graded and sold under government certificates of quality. He projected the view that in the near future it may be possible to market, under government certificates of quality, drawn poultry with feet and head off, and packaged in a compact consumer carton. Mr. Shaw of Maryland stated that the cost of grading, certification, and packaging of eggs in cartons cost less than two cents a dozen eggs.

#### Farm Board Policies

Carl Williams of the Federal Farm Board declared that the most valuable contribution of the Board has been the development of cooperative marketing enterprises, and that of \$375,000,000 in loans to cooperative marketing associations in the last three and one-half years, more than 60 per cent has been repaid. He said that the Board believes it will have a possible loss of only \$2,500,000 of these loans. The volume of business by cooperatives has increased 40 per cent in the last three years, the membership has increased 15 per cent, but the dollar volume of business has gone down on account of low prices, Mr. Williams stated.

The stabilization activities of the Board, he said, were effective in cushioning the decline in prices, and he pointed out that between October 1929 and May 1930 the price of cotton declined approximately 10 per cent while the price of other commodities dropped from 35 to 50 per cent. The price of wheat was held above the world price. "It cost \$320,000,000 to do the job," he said.

#### Marketing Bureau Budgets

The need for economy in budgeting proposed expenditures by bureaus of markets was stressed by L. M. Rhodes of the Florida Marketing Bureau, and C. M. White of the Maine Division of Markets. Mr. Rhodes said: "We might as well make up our minds that appropriations will have to be cut, and we should be reasonable in our demands." Mr. White: "As public servants this matter of making up budgets should receive careful attention; cut wherever we can, and meet the desire of the people, - who are our employers."



### Value of State Grades

Warren W. Oley of New Jersey Bureau of Markets read a paper on the "value of State grades and State identification". He said the value of State grades depends largely on the volume of home consumption of foods produced in the State, the quality of products for which State grades are developed, the means set up for enforcing the adherence to such grade requirements, the consumer interest in products of the State, and the means of identification used. All State grades, he declared, should be based on Federal standards where Federal standards exist in order that there can be an understanding of quality between the various States for the distribution of surplus. Of 29 grades for fruits and vegetables in New Jersey, 22 are U.S. grades; of the remaining 7 grades, 4 are of stricter requirements, either because of nearness to market or because in our opinion, Mr. Oley said, the Federal grade does not require uniformity in size, or length, or color.

Melvin H. Brightman of Rhode Island Bureau of Markets, speaking on the subject of State grades, declared that "State grades may best be used in deficit producing States. Areas that are large exporting States and have a considerable quantity of products to send to other areas might best use Federal grades. The State grades," he continued, "enable the local producer to receive recognition when their products are sold in competition with products from other States or areas, particularly in the quality of products produced at home has certain merits which make them superior to similar products produced elsewhere."

Mr. Pailthorp of the Bureau of Agricultural Economics said on this subject that "for commodities which are only sold within a State, it is probably not as important that they be graded and sold on the basis of United States grades, but if they come into competition with products from other States, it is less confusing to the jobbing trade to have the same grade for all commodities. The State could boost its own product through a State label in connection with the United States grades."

Mr. Meek of Virginia Division of Markets, also speaking on the subject of State grades, declared: "We cannot have uniformity if each State has separate standards. About 90 per cent of all products, in my opinion, will be marketed more uniformly, more easily, to meet the consumer demand, if we follow the United States grades."

### Roadside Marketing

Pennsylvania Bureau of Markets, last June, established a plan, somewhat similar to the New England plan, for approving roadside markets, reported George A. Stuart, director of that bureau. It provides that each roadside market shall be inspected and approved by the Bureau of Markets and its methods of doing business subjected to the bureau's regulations. A metal sign bearing the words "Pennsylvania Farm Products. An Approved Farm Roadside Market under Supervision of Pennsylvania Department of Agriculture" is leased to the stand operator.

Farmers who display the sign agree to operate a genuine farm market; produce on their own farm or purchase from neighboring farmers at



least three-fourths of all farm products sold; properly label farm products not grown locally; sell an honest package of full weight, count or measure, and one whose face or shown surface truly represents the contents; provide ample parking space off the highway; use no false or misleading labels or signs; keep their markets clean, neat and attractive; sell only products that are of good quality, fresh and otherwise of good condition, and subject their stands and methods of doing business to inspection by the Bureau of Markets.

The plan was placed in operation through a cooperative agreement with Pennsylvania State Association of Markets, and 36 roadside markets in 26 counties of Pennsylvania have entered the project. Mr. Stuart declared, however, that because of the need for economy in the cost of State government, the bureau is planning next year to withdraw from the inspection and supervision of the markets, and transfer the entire burden to the Pennsylvania State Association of Markets.

Mr. Bevan of Massachusetts reported that it has based its program dealing with roadside stands on the results of an analysis of consumer attitude toward such markets. A mimeographed copy of the results of this survey may be obtained from Mr. Bevan, 136 State House, Boston, Mass.

#### Wants Reports on Truck Movement

The Association moved that a committee be appointed by the Chairman to confer with the Bureau of Agricultural Economics to look into the advisability of finding a method of reporting motor truck shipments of perishable products.

It moved also that "the sentiment of this organization is favorable to continuing the publication of 'MARKETING ACTIVITIES' because it feels the publication performs a useful function."

Persons interested in obtaining a printed copy of the report of the Thirteenth Annual Meeting of the Association should communicate with Sidney A. Edwards, Connecticut Bureau of Markets, Hartford, Conn.

The December 21 issue of "MARKETING ACTIVITIES" will contain summaries of the contents of the various committee reports read at the December 13-14 meeting.

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#### AGRICULTURE UNDERGOING DRASTIC READJUSTMENT, SAYS ECONOMICS CHIEF.

"Agriculture is undergoing a drastic readjustment as the result of two sets of economic forces, - one internal, and the other from without, - either of which alone would have brought violent disturbances," according to Nils A. Olsen, Chief of the Bureau of Agricultural Economics, in his report on the year's work of the bureau.

"First there were revolutionary developments such as the change from horses to motors, large scale machinery, and a new pattern of produc-



tion and trade, and on top of this came the world-wide depression and collapse of prices. The present result is a farm community bewildered, hit by low prices and contracting markets, burdened with heavy taxes, debts, and costs."

#### Bureau Aids Farmers

"The bureau's activities represent a public service to aid farmers in this ever-growing struggle to adjust their industry to these rapidly changing conditions," says Mr. Olsen. "The work of gathering the facts on production, markets, foreign conditions, and basic problems are services which the times have gradually forced agriculture to acquire. These activities are essential to effective planning of adjustments by farmers, distributors and consumers, whether working individually or collectively, and by the Government itself. Not only is our work directed toward helping in the present acute situation; it is a program rounded out in response to modern requirements for a continuing economic service which will help agriculture to reach and maintain a profitable basis.

"New national policies," says Mr. Olsen, "are being evolved in farm organization and management, credit, taxation, land utilization, standardization, and marketing. Farmers, distributors, consumers, and public officials are calling for more dependable facts to be used as a basis for sound planning.

"The low prices and changed conditions of competition have made new requirements for successful farm management. The problems of farm reorganization are illustrated by a study which showed that with wheat at one dollar a bushel a man with a large farm and motor power made a return more than double that realized by others using horse power on smaller farms, but when the price of wheat was reduced to sixty cents the advantage of the large, mechanized farm was mostly lost. When wheat is down to forty cents a bushel the large farm loses more than the small farm. Many problems of this character require careful study to help farmers in reorganization.

"The effective utilization of the land resources of the country as a whole is of utmost importance," says Mr. Olsen. "Under the land policy which the United States has pursued, lands have been brought into use without due consideration of their fitness for specific uses. The result is that farmers in many areas are operating under serious physical and economic handicaps that could have been avoided under a better land policy."

Surveys have been made of several areas during the year, says the report, to show the present use of land in communities where the level of farm income is relatively low and farms require drastic reorganization. "Some persons," says Mr. Olsen, "have suggested evacuating such areas and permitting the land to revert to forests. The solutions will differ from community to community. The facts must first be ascertained through local land use surveys. A beginning has been made in various parts of the country "



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STATE AND FEDERAL

# MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

December 21, 1932

Vol. 12, No. 51

### ASSOCIATION COMMITTEES REPORT ON MARKETING DEVELOPMENTS

Marketing Officials Say Motor Truck Transportation Biggest Marketing Problem - State Bureaus Strive to Keep Farmers Informed on Markets Situation - More Farmers Join Cooperative Associations - Trade Divided on Perishable Commodities Act.

Developments in marketing during the past year - standardization, transportation, legislation, market reporting, sales and consignments, cooperative marketing, city markets, and crop and livestock estimates - were reported by respective committees at the Fourteenth Annual Meeting of the National Association of Marketing Officials at Washington, D.C., December 13 and 14.

Warren W. Oley of New Jersey Bureau of Markets, chairman of the Committee on Transportation, declared that "motor truck transportation is the biggest problem in all States. Practically every State feels we require more definite information on motor truck movement, and some means of coordinating and regulating trucking facilities."

#### Standardization

J. H. Meek of Virginia Division of Markets, chairman of the Committee on Standardization, reported that a survey of the States showed that in Alabama it is no longer compulsory to stamp grades on strawberry packages, and that in Tennessee grading is not compulsory on any products. Rhode Island reported that its State grades are more rigid than Federal grades. West Virginia and Virginia reported a growing tendency to replace State grades by Federal grades. Tennessee said that the inspection service is self-supporting in that State; Rhode Island reported its inspection service as "semi-self-supporting".

Rhode Island declared that the most significant advancement along standardization and grading lines during recent years has been the "establishing of central grading points and sales agencies"; New Jersey reported that the "purchasing of cannery products by grade" has been the most significant advancement in recent years, and Tennessee reported an increased tonnage of graded products.

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### Legislation

H. F. Fitts of the Bureau of Agricultural Economics, chairman of the Committee on State and Federal Legislation, said that Kentucky has passed an act to regulate the sale and distribution of agricultural seed, and an act to define oleomargarine and to prescribe regulations to govern its manufacture, storage and sale. Louisiana has passed a law to impose taxes on all butter, butter substitutes, and all milk products sold in the State, and a new commission merchants law to regulate and define the business of dealers in farm products, and to grant licenses to engage in such business. In Massachusetts a milk regulation board was established last year to regulate the production, sale and distribution of milk. In Mississippi a high privilege tax was placed on peddlers or other persons merchandising from trucks, other than farmers selling their own products.

In New Jersey an act requires the pasteurizing of milk distributed within that State, and legislation was enacted to regulate the production, handling, distribution, sale, shipment, transportation, and importation of milk, cream, and milk products. Another act passed in New Jersey requires that no person shall use the outline of the State of New Jersey on packages containing farm products unless such person be licensed by the State.

In New York the commission merchants law was amended to follow more closely the recent legislation in other jurisdictions upon that subject, and also the Federal law. At the end of the year, there was pending in the Rhode Island Legislature a bill to set up grades for eggs, to require the candling of eggs for resale to consumers, and to prevent misbranding or improper labeling of eggs.

### Sales and Consignments

Arthur P. Holt of Illinois, chairman of the Committee on Sales and Consignments, reported that in an effort to get the opinion of the produce trade regarding the effect of the Perishable Agricultural Commodities Act upon the trend of sales and consignments, a questionnaire was sent to the members of one of the large national trade organizations. Replies were received from more than 200 growers, dealers, receivers and exporters. Of this number, 100 said they favor continuance of the P.A.C. Act in its present form, and 102 said they opposed its continuance. Thirty-nine said they favor additional Federal regulations for the perishable trade, and 165 said they opposed additional Federal regulations. Most of those desiring more Federal regulation believed that new laws should be directed toward motor trucks.

Seventy persons said that under the P.A.C. Act, under normal crop and business conditions, they would expect an increase in cash track sales, and 104 persons said they would not expect an increase; 72 persons stated that under the Act they would expect an increase in f.o.b. wire sales, and 110 said not; 113 declared they would expect an increase in receiving point acceptances, and 67 said not, and 99 declared they would expect an increase in consignments, and 71 said not.



In reply to a query as to whether the present unregulated truck transportation perishable is causing an increase in receiving point acceptances, 93 persons said yes, and 87 said no, and the same query with regard to an increase in consignments, 113 persons said yes, and 65 said no. One hundred sixty-eight persons favored State-Federal shipping point inspection, and 37 did not.

### Market Reporting

Hubert B. Davis of West Virginia, Chairman of the Committee on Market Reporting, gave the results of a survey of Bureaus of Markets on that subject. Briefly, he learned that Alabama issues a market bulletin semi-monthly, Arkansas issues a monthly market bulletin and a weekly news letter, Connecticut issues a market bulletin three times each week, and special apple reports during the season, and weekly receipts of fruits, vegetables, poultry and eggs.

Florida issues daily market reports during the shipping season, and semi-weekly livestock reports on all southern markets. Georgia sends out daily quotations on peaches and watermelons during the season, and weekly quotations on all farm produce. Louisiana issues a weekly market bulletin. Michigan sends out daily fruit and vegetable reports. Maine issues a weekly market report. Mississippi sends out daily market reports. North Carolina issues reports on strawberries, white potatoes, peaches, and tobacco.

New Jersey issues weekly market and crop reports. New York issues daily and weekly market reports, and some by-weekly reports on all farm produce in the State. New Hampshire sends out a weekly market bulletin. Pennsylvania issues daily reports on vegetables, poultry, eggs, butter, and livestock, a daily summary of motor truck receipts of fruits and vegetables at Pittsburgh and Philadelphia, and annual summaries of motor truck receipts at fifteen cities in the State.

Rhode Island sends out daily wholesale market reports, weekly reports, and periodic reports. Tennessee issues daily reports on livestock, fruits and vegetables, dairy, poultry, and cotton. Virginia sends out five days each week a general market report on the Richmond fruit and vegetable market, and on the New York, Philadelphia, Baltimore, Jersey City, and Chicago livestock markets. West Virginia issues reports on livestock, poultry, grain, and fruit crops.

Many of the above-mentioned States issue their market news in cooperation with the Bureau of Agricultural Economics, and many of them feature newspaper and radio releases on the markets.

### City Markets

E. A. Flemming of Ohio, Chairman of the Committee on City Markets, said that "probably the most significant event in city marketing in New York during the past year was the practical ending of the fierce competition between the two new combined terminal and farmers' markets opened in Buffalo in 1931." He added that "the slowness of this State, and of the cities of the State, to assume financial responsibility for creating



modern terminals has led to a definite trend toward private ownership of markets." Two auction markets were established at Poughkeepsie and Smithtown by the G.L.F. Exchange.

New Jersey, Mr. Flemming said, has probably a larger proportion of farmer-owned markets than other States. Several farm women's markets have been organized in Maryland. In Massachusetts, he declared, the city markets are of minor importance except as regards the City of Boston. He reported that the Sixteenth Street Market at Richmond, Virginia, has been improved and modernized. In West Virginia, he reported, there are city markets in Huntington, Wheeling, and Martinsburg, and what might be termed a farmers' market in Charleston.

In Florida, Mr. Flemming said, the various cities have made efforts to control the distribution of farm produce by auto trucks, through ordinances and licenses, but that so far very little progress has been made. Ohio has established an egg and poultry auction at Wooster.

#### Cooperative Marketing

S. H. DeVault of Maryland, Chairman of the Committee on Farm Organization, reported that "greatest progress has probably been made in improving the financial condition and practices of cooperative organizations already in existence"; that "in spite of further declines in the prices of farm products in the past year, and of a drastic decline in consumer demand, the total volume of business of farmers cooperative marketing associations was maintained at a surprisingly high level."

The value of commodities handled by farmers cooperative organizations, he said, was almost \$2,000,000,000 in the year 1931-32, as compared with a peak value of about \$2,500,000,000 in 1929-30, and \$2,400,000,000 in 1930-31. The number of members enrolled in cooperative associations increased by about 200,000 during 1931-32.

#### Crop and Livestock Estimates

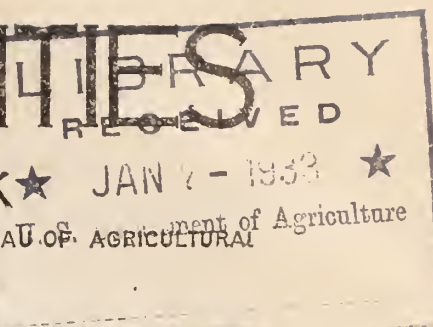
E. C. McInnis, Chairman of the Committee on Crop and Livestock Estimates, reported that "while no new crop or livestock projects were started by the Division of Crop and Livestock Estimates, Bureau of Agricultural Economics, during the past fiscal year, marked progress was made in the development of those already under way. The dairy reports," he continued, "emerged from the experimental stage and important basic dairy information is now being published each month"; also, that "for the first time since the project was started a quantitative estimate of the spring pig crop was published in 1932, and a forecast of the number of sows to farrow in the fall. The basis for fruit forecasts and methods of estimating the crop have been materially improved. Research work in connection with the development of better methods of estimating acreage, and of forecasting yields based on weather and other factors, was actively pushed both in Washington and the field offices."



# MARKETING ACTIVITIES

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December 28, 1932

Vol. 12, No. 52

### NEW JERSEY SETS UP

#### FARM MORTGAGE CLINIC.

An Emergency Farm Mortgage Committee has been appointed by Governor Moore of New Jersey for the purpose of aiding farmers overburdened with mortgage debts, by intervening when mortgage holders exert uncalled-for pressure on mortgagors. The committee will not function by loaning money. Nathaniel A. Back, agricultural statistician for New Jersey Department of Agriculture, is chairman of the committee.

Many New Jersey farm mortgages are held by the New York Joint Stock Land Bank of Rochester, N. Y. According to 1930 figures, there are 10,663 farm mortgages in New Jersey, written for a total value of \$39,796,619. Of these, approximately 18 per cent, totalling \$7,897,250 in value, are held by the New York Joint Stock Land Bank and the Federal Land Bank of Springfield, Mass.

A blank application form for use by persons petitioning the committee calls for complete information on the assets, debts and circumstances of the petitioning mortgagor. Secretary Duryee of New Jersey Department of Agriculture hopes that the committee will be able to prevent foreclosures and the wiping out of equities. The committee will meet at Trenton on January 5 to study available information on the farm mortgage situation in the State.

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### MINNESOTA FARM INCOMES

#### TAKE "TERRIFIC TUMBLE".

The Minnesota farm income in 1931 was \$232,000,000, or nearly \$100,000,000 less than in 1930, and \$151,000,000 less than in 1929, according to figures collected by the agricultural economics division of the University of Minnesota. The University characterizes the reduction as a "terrific tumble". The 1932 income is expected to amount to only about \$175,000,000. The figures are based upon sales of the sixteen principal Minnesota agricultural products.

Cash expenditures in 1932 are expected to have been \$149,000,000; cash expenditures in 1931 were \$159,000,000, and in 1930 they were \$171,000,000. Net cash income in 1932 is placed at \$141 per farm, in 1931 it was \$384 per farm, and in 1930 it was \$866 per farm.

Economists who prepared the report say that "with so large a part of the cash farm expenses consisting of such non-flexible items as taxes and interest, the possibility of significant increases in net farm income lies with an increase in the prices of agricultural commodities instead of any great reduction in farm expenses."



ILLINOIS WANTSMARKETING COSTS LOWERED.

Adjusting marketing costs to the current lower price level, so that the \$413,000,000 of cash income which Illinois farmers get from their principal crop and livestock products can be restored to a more nearly normal total, will be one of the problems to be attacked during the thirty-fifth annual Farm and Home Week, January 16 to 20, at Illinois College of Agriculture.

During a rising price level, farm prices usually advance faster than do marketing costs, but when prices are declining, marketing costs usually are reduced more slowly than are prices paid farmers; and this, says the college, tends to put producers at a great disadvantage.

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IOWA ANALYZES TAXESOF FARMERS IN STATE.

Eighty-eight per cent of the property and personal taxes paid by Iowa farmers is spent for local schools, county expenses, and county roads, according to Iowa State College reporting the results of a survey. A study was made of average taxes of 1,580 farmers in as many townships in every county in the State, levied in 1931 and payable in 1932.

The average taxable valuation of the 1,580 farms was \$2,876.82, and the average total tax per farm was \$225.54. Of the average total tax of \$225.54, \$95.72 went for local rural schools; \$53.28 went for support of the county government, county schools, court expense, soldiers' relief, and other items; \$50.64 was spent on county roads.

Iowa State College will furnish inquirers a report showing where the farm tax dollar goes.

A similar survey by New York College of Agriculture shows that roads now take more than half the county tax money, and three-fourths of the town funds.

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OHIO HAS HIGHMORTGAGE DEBT RATIO.

Considering the decline in land values since 1930, it is probable that the ratio of mortgage debt to value on mortgaged farms in Ohio is now between 55 and 60 per cent, according to J. I. Falconer of Ohio Experiment Station. In seven typical western Ohio counties, he says, the debt is now estimated to be two-thirds the value of all mortgaged farms.

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PEANUT GROWERS MAYSTORE CROP AS COLLATERAL.

Secretary of Agriculture Hyde has announced a plan to permit peanut growers with 1932 crop production loans and unpaid balances on government loans made prior to 1932 to store their peanuts as collateral for the government loans and to market them in an orderly manner. The peanuts must be stored with a cooperative association or in a warehouse approved by the 1932 Crop Production Loan Office.



CERTIFIED SEED POTATO  
CROP SMALLER THIS YEAR.

Reports from twenty-two States that carry on seed-potato certification show that the production of certified stock this year is about 6,929,000 bushels, compared with about 8,764,600 bushels in 1931 and 6,703,000 bushels in 1930. Maine produced 2,920,700 bushels of the total this year. In a majority of States, only about 5 per cent to 10 per cent of the production had been sold by growers up to November 10.

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LIVESTOCK PRODUCTION  
TO BE INCREASED.

A sharp increase in the production of hogs and grain-finished cattle is likely during the coming year, C. A. Burmeister of the Bureau of Agricultural Economics told the Institute of American Meat Packers in an annual convention at Chicago, November 15. While total cattle slaughter, he declared, may not increase greatly, the proportion that is grain-finished in 1933 probably will be much larger than that in 1932.

"The present favorable relation between hog prices and feed prices" he said, "is expected to result in a large increase in the pig crop of next spring, provided weather conditions are favorable at farrowing time, and thus result in a resumption of the upswing in the hog production cycle which was interrupted this year. Probably the most significant feature in the present hog situation is the low level of consumer demand in this country and abroad."

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VIRGINIA HAS PLAN FOR  
IMPROVING AGRICULTURE.

Agriculture and unemployment can be improved materially by joint or separate action of the Federal, State and/or County Governments leasing large areas of uncultivated and poor land which can be developed into forests, using persons already living on that land and others in developing forests, says J. H. Meek, director, Virginia Division of Markets. The lease, he says, should be made for a period of at least ten years with the privilege of buying the land at a fixed price at the end of the period for which it is leased.

During the period the land is under lease, the government by which it is leased, Mr. Meek says, should create a fund sufficient to purchase the leased land when the leases run out. The plan, he believes, will remove from production much of the so-called sub-marginal land, and will be indirectly responsible for creating better market demand for the better products.

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GRADES FOR CANNED GRAPEFRUIT have been issued by the Bureau of Agricultural Economics.

RULES AND REGULATIONS of the Secretary of Agriculture governing the grading and certification of butter, cheese, eggs, dressed poultry, and dressed domestic rabbits for class, quality (grade) and condition, have been issued by the United States Department of Agriculture.



NEWS BRIEFS

A CARBONATED APPLE JUICE, intended as a year-round fountain drink, has been developed by chemists of New York Experiment Station.

A TOTAL of 151,140 tons of cannery tomatoes was inspected and graded last summer by New Jersey Department of Agriculture. Many growers obtained an average price of more than \$17 a ton.

PARTS of New Hampshire and Vermont have been brought under restriction under a revision of the Japanese beetle quarantine and regulations announced by the United States Department of Agriculture, and the regulated areas in Maryland, Massachusetts, New York, Pennsylvania, and Virginia have been enlarged.

RAIL AND BOAT shipments of fresh fruits and vegetables this year were the smallest in eleven years, according to the Bureau of Agricultural Economics. Shipments this year, up to December 1, totaled 795,086 cars. December shipments last year were 58,747 cars. The two figures give a projected total of 843,833 cars for this year, as contrasted with a total of 1,103,012 cars during the calendar year 1931.

THREE POSSIBILITIES for improving farm conditions, according to H. R. Tolley, Giannini Foundation of Agricultural Economics, are: Measures to stimulate business activity and raise level of prices in the United States through expansion of money and credit; lowering of barriers to international trade, and the voluntary domestic plan which is designed to give producers of export farm commodities the benefits of the tariff on the portion of crops consumed in the United States, in return for an agreement on the part of producers not to increase their acreage.

DECEMBER RADIOCASTS by members of the Bureau of Agricultural Economics, now available in mimeograph, are:

- "Comments on the General Agricultural Situation", by A.B. Genung.
- "Farm News from Foreign Lands", by L.A. Wheeler.
- "Grade, Staple, and Tenderability of Cotton Ginned Prior to November 1, 1932", by W.B. Lanham.
- "Cotton Crop Report as of December 1, 1932", by V. C. Childs.
- "The Price Situation", by A.G. Peterson.
- "December Cattle Markets", by C.V. Whalin.
- "The Grain Crops of 1932", by Joseph A. Becker.
- "General Crop Review", by W.F. Callander.
- "Annual Review of Fruit and Vegetable Production", by S.R. Newell.
- "The Speciality Crops of 1932", by S.A. Jones.

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